

COMMONWEALTH OF KENTUCKY
OFFICE OF THE GOVERNOR

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TREY GRAYSON
SECRETARY OF STATE
COMMONWEALTH OF KENTUCKY
BY R. Adles

STEVEN L. BESHEAR
GOVERNOR

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VETO MESSAGE FROM THE
GOVERNOR OF THE COMMONWEALTH OF KENTUCKY
REGARDING HOUSE BILL 1 OF THE
2010 FIRST EXTRAORDINARY SESSION

1. Department for Local Government Infrastructure Projects

I, Steven L. Beshear, Governor of the Commonwealth of Kentucky, pursuant to the authority granted under Section 88 of the Kentucky State Constitution, do hereby veto the following part:

Page 7, lines 4 through 9, in their entirety.

I am vetoing this part because the General Assembly failed to appropriate additional funds to the Department for Local Government to finance the two projects identified in this provision. Redirecting over 30 percent of the Department's available General Fund budget would leave insufficient funds to operate the Department, requiring a significant reduction in the statutory duties of the Department and the existing grant programs they administer, including grants to the Area Development Districts. I will seek to identify other sources of funding for these worthy projects.

2. Local Government Economic Development Fund Provision

I, Steven L. Beshear, Governor of the Commonwealth of Kentucky, pursuant to the authority granted under Section 88 of the Kentucky State Constitution, do hereby veto the following part:

Page 13, lines 25 through 27, in their entirety.

Page 14, line 1, in its entirety.

I am vetoing this part because this language removes flexibility in awarding grants from this program.

3. Cabinet for Economic Development Secretary

I, Steven L. Beshear, Governor of the Commonwealth of Kentucky, pursuant to the authority granted under Section 88 of the Kentucky State Constitution, do hereby veto the following part:

Page 32, lines 10 through 12, in their entirety.

I am vetoing this part because it is inconsistent with the plain language of KRS 154.10-050(2) which states that the Kentucky Economic Development Partnership Board shall set the salary of the secretary which shall be exempt from state employee salary limitations as set forth in KRS 64.640. This statute was part of House Bill 89 enacted by the 1992 General Assembly, and was the product of a Legislative Subcommittee on Economic Development Structure and Programs composed of 44 members including 7 state representatives, 4 state senators, and 33 private sector representatives from all geographic regions of the state. This Special Subcommittee specifically expressed its intent to change the manner in which this Cabinet Secretary was employed, overseen, and compensated by creating a public-private governing body, the Kentucky Economic Development Partnership Board. The Partnership Board has publicly expressed its concern about this particular provision. The General Assembly has seen fit to invest similar authority with numerous state government entities and independent governing boards to compensate their agency heads with a salary greater than the salary of the Governor. These include the Legislative Research Commission, the State Fair Board, the Council on Postsecondary Education, the Kentucky Lottery Corporation, the Kentucky Housing Corporation, the Kentucky Retirement System, the Kentucky Teachers' Retirement System, the nine public postsecondary education institutions, the Department of Education, the Kentucky Higher Education Student Loan Corporation, and the Kentucky Deferred Compensation Board.

4. Economic Development Industrial Authority Grant

I, Steven L. Beshear, Governor of the Commonwealth of Kentucky, pursuant to the authority granted under Section 88 of the Kentucky State Constitution, do hereby veto the following part:

Page 33, lines 2 through 5, in their entirety.

I am vetoing this part because the General Assembly failed to appropriate additional funds to the Cabinet for Economic Development to finance the item identified in this provision. The bulk of the funding in this appropriation unit provides financing for the commercialization and innovation programs. Redirecting \$1,000,000 to this project would mean less available funding for those economic development efforts within a budget that has already been reduced. I must retain the flexibility needed to fund all economic endeavors that are currently seeking similar assistance fairly. J.M. Smucker Company is an important corporate citizen and employer for the Allen County area, and

I have instructed the Cabinet for Economic Development to do anything they can within the bounds of current resources to assist J.M. Smucker.

5. Economic Development Innovation and Commercialization Center Program

I, Steven L. Beshear, Governor of the Commonwealth of Kentucky, pursuant to the authority granted under Section 88 of the Kentucky State Constitution, do hereby veto the following part:

Page 33, lines 6 through 10, in their entirety.

I am vetoing this part because the General Assembly reduced funding for the Office of the Secretary, which includes funding for the centers. The General Fund budget enacted by the General Assembly also requires a significant level of contract spending reductions, the combination of which leaves the exact amount available for the centers uncertain. The Economic Development Cabinet intends to continue these good programs but needs the flexibility to work through the budget reductions included in the enacted budget with everything under consideration.

6. Natural Resources Forestry Tree Nurseries

I, Steven L. Beshear, Governor of the Commonwealth of Kentucky, pursuant to the authority granted under Section 88 of the Kentucky State Constitution, do hereby veto the following part:

Page 58, line 27, in its entirety.

Page 59, lines 1 through 2, in their entirety.

I am vetoing this part because it limits the flexibility the Department needs to manage the reduced budget enacted by the General Assembly. The tree nursery program is an important program and all efforts will be made to ensure that it continues and remains viable.

7. Medicaid Program – Urban Trauma Center

I, Steven L. Beshear, Governor of the Commonwealth of Kentucky, pursuant to the authority granted under Section 88 of the Kentucky State Constitution, do hereby veto the following part:

Page 73, lines 7 through 11, in their entirety.

I am vetoing this part because the General Assembly did not provide sufficient resources to maintain the current level of services for all elements of the Medicaid program. Therefore, the Cabinet needs the flexibility to maximize the services provided with the funding available.

8. Medicaid Program – State Match

I, Steven L. Beshear, Governor of the Commonwealth of Kentucky, pursuant to the authority granted under Section 88 of the Kentucky State Constitution, do hereby veto the following part:

Page 73, lines 12 through 16, in their entirety.

Page 79, lines 23 through 27, in their entirety.

I am vetoing this part because the General Assembly did not provide sufficient resources to maintain the current level of services for all elements of the Medicaid program. Therefore, the Cabinet needs the flexibility to maximize the services provided with the funding available.

9. Medicaid Program – Medicaid Analysis

I, Steven L. Beshear, Governor of the Commonwealth of Kentucky, pursuant to the authority granted under Section 88 of the Kentucky State Constitution, do hereby veto the following part:

Page 74, line 20, after “efficiencies”, delete the rest of the line.

Page 74, lines 21 through 22, in their entirety.

Page 75, line 1, after “analysis”, delete the rest of the line.

Page 75, line 2, delete “expansions”

Page 75, line 4, after “evaluations”, delete “and the MMCO expansion”.

Page 75, lines 7 through 10, in their entirety.

I am vetoing this part because the Cabinet intends to develop a plan for evaluating the benefits and efficiencies of the entire Medicaid program which will include all components of the program. Moreover, a portion of this provision conflicts with the Kentucky Constitution’s separation of powers.

10. Medicaid Program – Medicaid Demonstration Waiver

I, Steven L. Beshear, Governor of the Commonwealth of Kentucky, pursuant to the authority granted under Section 88 of the Kentucky State Constitution, do hereby veto the following part:

Page 75, lines 16 through 21, in their entirety.

I am vetoing this part because the General Assembly did not provide sufficient resources to maintain the current level of services for all elements of the Medicaid program. Therefore, the Cabinet needs the flexibility to maximize the services provided with the funding available.

11. Mental Health/Mental Retardation Boards – Exemption from Budget Reductions

I, Steven L. Beshear, Governor of the Commonwealth of Kentucky, pursuant to the authority granted under Section 88 of the Kentucky State Constitution, do hereby veto the following part:

Page 78, line 14, after “July 15, 2011.”, delete the rest of the line.

Page 78, lines 15 through 16, in their entirety.

I am vetoing this part because it singles out a specific item for exemption from future budget reductions due to revenue shortfalls. The treatment of funding for thousands of programs in the budget warrant that they all remain under consideration should revenue shortfalls occur.

12. Local and District Health Departments – Exemption from Budget Reductions

I, Steven L. Beshear, Governor of the Commonwealth of Kentucky, pursuant to the authority granted under Section 88 of the Kentucky State Constitution, do hereby veto the following part:

Page 80, line 11, after “July 15, 2011.” delete the rest of the line.

Page 80, lines 12 through 13, in their entirety.

I am vetoing this part because it singles out a specific item for exemption from future budget reductions due to revenue shortfalls. The treatment of funding for thousands of programs in the budget warrant that they all remain under consideration should revenue shortfalls occur.

13. Tourism, Arts and Heritage Cabinet - Tourism Marketing and Development

I, Steven L. Beshear, Governor of the Commonwealth of Kentucky, pursuant to the authority granted under Section 88 of the Kentucky State Constitution, do hereby veto the following part:

Page 112, line 1, after “counties.” delete the rest of the line.

Page 112, lines 2 through 9, in their entirety.

I am vetoing this part because the Cabinet needs the maximum flexibility to make the best decisions on the use of the limited amount of funds available for tourism marketing and development in coal-producing counties.

14. General Fund Spending Reductions

I, Steven L. Beshear, Governor of the Commonwealth of Kentucky, pursuant to the authority granted under Section 88 of the Kentucky State Constitution, do hereby veto the following part:

Page 238, line 9, after “Act”, delete “by \$43,100,000”.
Page 238, line 10, delete “by \$71,000,000”.
Page 241, line 24, after “achieve”, delete “\$10,000,000 of”.
Page 241, line 25, after “and”, delete “\$10,000,000 of”.
Page 241, line 25, after “2011-2012.”, delete the rest of the line.
Page 241, lines 26 through 27 in its entirety.
Page 242, line 1, in its entirety.
Page 242, line 2, delete “Television.”
Page 242, line 5, after “expenditures”, delete “by \$77,900,000”.
Page 242, line 6, after “and”, delete “by \$87,900,000”.

I am vetoing this part because the General Assembly has assigned spending reduction targets to contracts that would result in harsh cutbacks to education, economic development, and care for Kentuckians with mental illness and mental retardation. This veto will not affect the amount of spending reductions required by these provisions and reductions will occur in spending on contracts, non-merit employees, and other areas of efficiencies. The amount of spending reductions the General Assembly included in these budget provisions, totaling \$131,000,000 in fiscal year 2010-2011 and \$168,900,000 in fiscal year 2011-2012, will remain in place. Those amounts represent larger spending reductions than the 3.5 percent and 4.5 percent reductions to many agencies already incorporated within the enacted budget. Reductions of that level require all the flexibility and management capabilities the Executive branch can muster. Assignment of specific amounts to certain spending areas based on flawed analysis inhibits the most effective methods of achieving such a significant reduction in expenditures. The provision also exempts from certain types of expenditure reduction several agencies of the Executive branch. Those agencies should not be exempt from consideration given the level of spending reductions required.

15. Debt Service

I, Steven L. Beshear, Governor of the Commonwealth of Kentucky, pursuant to the authority granted under Section 88 of the Kentucky State Constitution, do hereby veto the following part:

Page 243, lines 2 through 5, in their entirety.

I am vetoing this part because KRS 48.720 and Part III, Section 9 of this act already require that unexpended General Fund debt service shall lapse to the General Fund Surplus Account. The implementation of bond funded projects during my Administration has occurred expeditiously and without impediment despite the most significant upheaval in the municipal bond market in many years. My Administration has ensured that bond funds have been available to every appropriated project that is ready to spend them. One of the traditional uses of unexpended debt service has been to pay for unbudgeted spending needs such as calling out the National Guard, forest fire suppression, and higher prisoner population than budgeted.

16. Health Insurance

I, Steven L. Beshear, Governor of the Commonwealth of Kentucky, pursuant to the authority granted under Section 88 of the Kentucky State Constitution, do hereby veto the following part:

Page 244, lines 23 through 27, in their entirety.

Page 245, lines 1 through 27, in their entirety.

Page 246, lines 1 through 26, in their entirety.

Page 247, lines 1 through 27, in their entirety.

Page 248, lines 1 through 7, in their entirety.

Page 248, line 9, delete "Base Employer Provided Plan and all other"

Page 248, lines 12 through 25, in their entirety.

I am vetoing this part because the General Assembly has already set forth within this act the appropriations for the health insurance program for school district employees, state employees and retirees for the 2010-2012 biennium, and these provisions serve only to limit the options available in implementing the health insurance program. The General Assembly appropriated significantly less than the estimated costs of continuing the existing health insurance plans and the associated employer contributions. Since the amount of funding enacted by the General Assembly is the fundamental basis for developing the health insurance plans for 2011 and 2012, it is not necessary to impose additional restrictions on its implementation. The Personnel Cabinet in partnership with the many stakeholders will develop a health insurance plan, including wellness programs, that lives within the funding appropriated, and will make every effort to fashion the best set of options for the benefit of the many public sector employees and retirees that depend on this program to maintain health care for themselves and their families.

17. Exemption from Furlough Policy

I, Steven L. Beshear, Governor of the Commonwealth of Kentucky, pursuant to the authority granted under Section 88 of the Kentucky State Constitution, do hereby veto the following part:

Page 250, line 19, after “employees”, delete the rest of the line.

Page 250, line 20, delete “that are not 100 percent federally funded”.

I am vetoing this part because if a furlough policy becomes necessary to avoid significant layoffs, it is important to have a policy that is fair, equitable, and includes shared sacrifice. While the source of funds is very important for budgeting purposes, equitable treatment of our workforce is a key consideration when sacrifice is required.

18. General Fund Budget Reduction Plan

I, Steven L. Beshear, Governor of the Commonwealth of Kentucky, pursuant to the authority granted under Section 88 of the Kentucky State Constitution, do hereby veto the following part:

Page 257, lines 3 through 5, in their entirety.

Page 257, lines 10 through 16, in their entirety.

I am vetoing this part because the Executive branch needs the maximum flexibility to contend with revenue shortfalls should they occur.

19. Road Fund Budget Reduction Plan

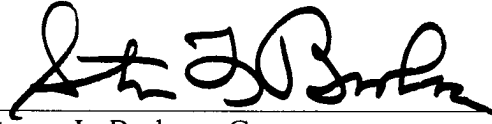
I, Steven L. Beshear, Governor of the Commonwealth of Kentucky, pursuant to the authority granted under Section 88 of the Kentucky State Constitution, do hereby veto the following part:

Page 259, line 12, after the period, delete the rest of the line.

Page 259, lines 13 through 15, in their entirety.

I am vetoing this part because the Executive branch needs the maximum flexibility to contend with revenue shortfalls should they occur.

This the 4th day of June, 2010

A handwritten signature in black ink, appearing to read "Steve Beshear", written over a horizontal line.

Steven L. Beshear, Governor



GENERAL ASSEMBLY

COMMONWEALTH OF KENTUCKY

2010 EXTRAORDINARY SESSION

HOUSE BILL NO. 1

AS ENACTED

FRIDAY, MAY 28, 2010

AN ACT relating to appropriations and revenue measures providing financing and conditions for the operations, maintenance, support, and functioning of the government of the Commonwealth of Kentucky and its various officers, cabinets, departments, boards, commissions, institutions, subdivisions, agencies, and other state-supported activities.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

PART I

OPERATING BUDGET

(1) **Funds Appropriations:** There is appropriated out of the General Fund, Road Fund, Restricted Funds accounts, Federal Funds accounts, or Bond Funds accounts for the fiscal year beginning July 1, 2009, and ending June 30, 2010, for the fiscal year beginning July 1, 2010, and ending June 30, 2011, and for the fiscal year beginning July 1, 2011, and ending June 30, 2012, the following discrete sums, or so much thereof as may be necessary. Appropriated funds are included pursuant to KRS 48.700 and 48.710. Each appropriation is made by source of respective fund or funds accounts. Appropriations for the following officers, cabinets, departments, boards, commissions, institutions, subdivisions, agencies, and budget units of the state government, and any and all other activities of the government of the Commonwealth, are subject to the provisions of Chapters 12, 42, 45, and 48 of the Kentucky Revised Statutes and compliance with the conditions and procedures set forth in this Act.

(2) **Tobacco Settlement Funds:** Appropriations identified as General Fund (Tobacco) in Part I, Operating Budget, of this Act are representative of the amounts provided in Part X, Phase I Tobacco Settlement, of this Act and are not to be appropriated in duplication.

A. GENERAL GOVERNMENT

Budget Units

1. OFFICE OF THE GOVERNOR

2010-11

2011-12

1	General Fund	6,077,800	6,017,000
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2 **(1) Housing Allowance for the Lieutenant Governor:** Included in the above
3 General Fund appropriation for the Office of the Governor is \$2,500 monthly as a
4 housing allowance for the Lieutenant Governor's Office.

5 **2. OFFICE OF STATE BUDGET DIRECTOR**

6		2010-11	2011-12
7	General Fund	3,175,400	3,143,600
8	Restricted Funds	100,000	100,000
9	TOTAL	3,275,400	3,243,600

10 **3. STATE PLANNING FUND**

11		2010-11	2011-12
12	General Fund	181,200	179,400

13 **4. HOMELAND SECURITY**

14		2010-11	2011-12
15	General Fund	212,300	210,200
16	Restricted Funds	1,207,700	1,240,100
17	Federal Funds	21,771,600	21,314,100
18	Road Fund	250,000	250,000
19	TOTAL	23,441,600	23,014,400

20 **5. DEPARTMENT OF VETERANS' AFFAIRS**

21		2010-11	2011-12
22	General Fund	16,651,100	16,976,600
23	Restricted Funds	28,236,300	28,767,000
24	TOTAL	44,887,400	45,743,600

25 **(1) Weekend and Holiday Premium Pay Incentive:** The Kentucky Veterans'
26 Centers are authorized to continue the weekend and holiday premium pay incentive
27 component of the Personnel Pilot Program for the 2010-2012 fiscal biennium.

1 **(2) Congressional Medal of Honor Recipients - Travel and Per Diem:** The
2 Commissioner of the Department of Veterans' Affairs may approve travel and per diem
3 expenses incurred when Kentucky residents who have been awarded the Congressional
4 Medal of Honor attend veterans, military, or memorial events in the Commonwealth of
5 Kentucky.

6 **(3) Veterans' Service Organization Funding:** Included in the above General
7 Fund appropriation is \$100,000 in each fiscal year for grants to the Veterans' Service
8 Organization programs.

9 **(4) Veterans' Cemetery Northeast:** Included in the above General Fund
10 appropriation is \$55,000 in fiscal year 2010-2011 for the personnel and operating
11 expenses of the Veterans' Cemetery Northeast in Greenup County.

12 **(5) Debt Service - Fourth State Veterans' Nursing Home:** If any debt service is
13 required for the issuance of bonds for the construction of the Fourth State Veterans'
14 Nursing Home authorized in Part II, Capital Projects Budget, of this Act in fiscal year
15 2010-2011 or fiscal year 2011-2012, it shall be deemed a necessary government expense
16 and shall be paid from the General Fund Surplus Account (KRS 48.700) or the Budget
17 Reserve Trust Fund Account (KRS 48.705). No bonds shall be sold for this project until it
18 has been approved by the United States Department of Veterans' Affairs and the
19 Commonwealth has been notified by the United States Department of Veterans' Affairs
20 that federal funds are available to support this construction.

21 **(6) Debt Service:** Included in the above General Fund appropriation is \$140,000
22 in fiscal year 2011-2012 for new debt service to support new bonds as set forth in Part II,
23 Capital Projects Budget, of this Act.

24 **(7) Brain Injury Alliance of Kentucky and the Epilepsy Foundation of**
25 **Kentuckiana Funding:** Included in the above General Fund appropriation is \$100,000 in
26 each fiscal year for grants to the Brain Injury Alliance of Kentucky and \$100,000 in each
27 fiscal year for grants to the Epilepsy Foundation of Kentuckiana to be used solely for the

1 purpose of working with veterans who have experienced brain trauma and their families.

2 **6. GOVERNOR'S OFFICE OF AGRICULTURAL POLICY**

3		2010-11	2011-12
4	General Fund (Tobacco)	30,529,000	17,691,600
5	Restricted Funds	605,700	451,300
6	Federal Funds	500,000	500,000
7	TOTAL	31,634,700	18,642,900

8 **(1) Kentucky Agricultural Finance Corporation:** Notwithstanding KRS
 9 247.978(2), the total amount of principal which a qualified applicant may owe the
 10 Kentucky Agricultural Finance Corporation at any one time shall not exceed \$5,000,000.

11 **(2) Tobacco Settlement Funds - Allocations:** Notwithstanding KRS 248.711(2),
 12 and from the allocation provided therein, counties that are allocated in excess of \$20,000
 13 annually may provide up to four percent of the individual county allocation, not to exceed
 14 \$15,000 annually, to the county council in that county for administrative costs.

15 **(3) Agricultural Development Appropriations:** Notwithstanding KRS
 16 248.703(1), included in the above General Fund (Tobacco) appropriation is \$16,419,375
 17 in fiscal year 2010-2011 and \$16,419,375 in fiscal year 2011-2012 for the counties
 18 account as specified in KRS 248.703(1)(a).

19 **7. KENTUCKY INFRASTRUCTURE AUTHORITY**

20		2010-11	2011-12
21	General Fund	2,429,900	5,739,600
22	Restricted Funds	14,927,100	34,136,600
23	Federal Funds	150,269,200	56,879,600
24	TOTAL	167,626,200	96,755,800

25 **(1) Administrative Fee on Infrastructure for Economic Development Fund**
 26 **Projects:** A one-half of one percent administrative fee is authorized to be paid to the
 27 Kentucky Infrastructure Authority for the administration of each project funded by the

1 Infrastructure for Economic Development Fund for Coal-Producing Counties and the
 2 Infrastructure for Economic Development Fund for Tobacco Counties. These
 3 administrative fees shall be paid, upon inception of the project, out of the fund from
 4 which the project was allocated.

5 **(2) Local Government Economic Development Funds:** Included in the above
 6 General Fund appropriation is \$370,000 in each year of the fiscal biennium from the
 7 Local Government Economic Development Fund to support services provided to coal-
 8 producing counties.

9 **(3) Debt Service:** Included in the above General Fund appropriation is \$899,500
 10 in fiscal year 2010-2011 and \$2,574,500 in fiscal year 2011-2012 for new debt service to
 11 support new bonds as set forth in Part II, Capital Projects Budget, of this Act.

12 **(4) Debt Service for Previously Overprogrammed Water and Sewer**
 13 **Infrastructure Projects:** Included in the above General Fund appropriation is
 14 \$1,650,000 in fiscal year 2011-2012 for new debt service to support bonds as set forth in
 15 Part II, Capital Projects Budget, of this Act.

16 **8. MILITARY AFFAIRS**

17	2010-11	2011-12
18 General Fund	9,678,500	8,947,900
19 Restricted Funds	42,460,800	39,328,200
20 Federal Funds	42,685,200	42,685,200
21 TOTAL	94,824,500	90,961,300

22 **(1) Kentucky National Guard:** There is appropriated from the General Fund the
 23 necessary funds to be expended, subject to the conditions and procedures provided in this
 24 Act, which are required as a result of the Governor's declaration of emergency pursuant to
 25 KRS Chapter 39A, and the Governor's call of the Kentucky National Guard to active duty
 26 when an emergency or exigent situation has been declared to exist by the Governor.
 27 These necessary funds shall be made available from the General Fund Surplus Account

(KRS 48.700) or the Budget Reserve Trust Fund Account (KRS 48.705).

(2) Disaster or Emergency Aid Funds: There is appropriated from the General Fund the necessary funds, subject to the conditions and procedures in this Act, which are required to match federal aid for which the state would be eligible in the event of a presidentially declared disaster or emergency. These necessary funds shall be made available from the General Fund Surplus Account (KRS 48.700) or the Budget Reserve Trust Fund Account (KRS 48.705).

9. COMMISSION ON HUMAN RIGHTS

	2010-11	2011-12
General Fund	1,721,500	1,704,300
Federal Funds	256,200	256,100
TOTAL	1,977,700	1,960,400

10. COMMISSION ON WOMEN

	2010-11	2011-12
General Fund	212,100	210,000

11. DEPARTMENT FOR LOCAL GOVERNMENT

	2010-11	2011-12
General Fund	8,558,500	8,766,900
Restricted Funds	200,000	200,000
Federal Funds	59,807,700	58,572,900
TOTAL	68,566,200	67,539,800

(1) Debt Service: Included in the above General Fund appropriation is \$294,000 in fiscal year 2011-2012 for new debt service to support new bonds as set forth in Part II, Capital Projects Budget, of this Act.

(2) Support of the 12 Multi-County Regional Industrial Park Authorities: Included in the above Restricted Funds appropriation is \$200,000 in fiscal year 2010-2011 and \$200,000 in fiscal year 2011-2012 in support of the 12 Multi-County regional

1 industrial park authorities. Funds shall be distributed equally to the 12 Multi-County
 2 regional industrial park authorities for marketing and maintenance of the industrial parks
 3 and the procurement of property and casualty insurance on the parks.

4 **(3) Infrastructure Improvement:** Included in the above General Fund
 5 appropriation is \$1,300,000 in fiscal year 2010-2011 to the Hopkins County Fiscal Court
 6 for the Hopkins County Fairgrounds Phase II project.

7 **(4) Infrastructure Improvement:** Included in the above General Fund
 8 appropriation is \$1,000,000 in fiscal year 2010-2011 to the City of Liberty in Casey
 9 County for the replacement of two water tanks.

10 **12. LOCAL GOVERNMENT ECONOMIC ASSISTANCE FUND**

11		2010-11	2011-12
12	General Fund	54,422,100	67,281,600

13 **13. LOCAL GOVERNMENT ECONOMIC DEVELOPMENT** 14 **FUND**

15		2010-11	2011-12
16	General Fund	39,313,000	37,743,300

17 **(1) Coal Severance Tax Collections Calculations and Transfers:** The above
 18 appropriations from the General Fund are based on the official estimate presented by the
 19 Office of State Budget Director for coal severance tax collections during the biennium,
 20 distributed in accordance with KRS 42.450 to 42.495.

21 **(2) Kentucky Workers' Compensation Funding Commission:**
 22 Notwithstanding KRS 342.122(1)(c), no General Fund appropriation is provided to the
 23 Kentucky Workers' Compensation Funding Commission in fiscal year 2010-2011 and
 24 fiscal year 2011-2012.

25 **(3) Osteopathic Medicine Scholarship Program:** The transfer of moneys from
 26 the General Fund to the Local Government Economic Development Fund shall be made
 27 after the transfer to the Osteopathic Medicine Scholarship Program has been made

1 pursuant to KRS 164.7891(11) and (12) in the amount of \$901,800 in fiscal year 2010-
2 2011 and \$872,500 in fiscal year 2011-2012 within the Kentucky Higher Education
3 Assistance Authority.

4 **(4) Trover Clinic Grant:** Notwithstanding KRS 42.4582 and 42.4585, the
5 quarterly calculation and transfer of the funds shall be made only after each quarterly
6 installment of the annual appropriation of \$1,000,000 in fiscal year 2010-2011 and
7 \$1,000,000 in fiscal year 2011-2012 has been credited to the Trover Clinic Grant within
8 the Department for Local Government.

9 **(5) Pharmacy Scholarship Fund:** Notwithstanding KRS 164.7901(11) to (13),
10 no funds shall be transferred to the Pharmacy Scholarship Program Fund within the
11 Kentucky Higher Education Assistance Authority in fiscal year 2010-2011 and fiscal year
12 2011-2012.

13 **(6) Mine Safety:** Notwithstanding KRS 42.4582 and 42.4585, the quarterly
14 calculation and transfer of moneys from the General Fund to the Local Government
15 Economic Development Fund shall be made only after each quarterly installment of the
16 annual appropriation of \$4,300,000 in fiscal year 2010-2011 and \$4,400,000 in fiscal year
17 2011-2012 has been made to the Office of Mine Safety and Licensing, Natural Resources
18 budget unit.

19 **(7) School Facilities Construction Commission - 2002-2004:** Notwithstanding
20 KRS 42.4592, the quarterly calculation of the allocation of moneys to coal-producing
21 counties through the Local Government Economic Development Fund in fiscal year
22 2010-2011 shall be made only after funds totaling \$4,617,900, and in fiscal year 2011-
23 2012 shall be made only after funds totaling \$4,617,900, are appropriated as General
24 Fund moneys to the School Facilities Construction Commission budget unit to provide
25 debt service to support previously authorized bonds authorized in 2003 Ky. Acts ch. 156.

26 **(8) Water and Sewer Resources Development Fund for Coal-Producing**
27 **Counties - 2002-2004:** Notwithstanding KRS 42.4592, the quarterly calculation of the

1 allocation of moneys to coal-producing counties through the Local Government
 2 Economic Development Fund shall be made only after each quarterly installment of the
 3 annual appropriation of \$4,091,400 in fiscal year 2010-2011 and \$4,091,400 in fiscal year
 4 2011-2012 is appropriated as General Fund moneys to the Finance and Administration
 5 Cabinet, Debt Service budget unit, to provide General Fund debt service to support
 6 previously authorized bonds for the Water and Sewer Resources Development Fund for
 7 Coal-Producing Counties authorized in 2003 Ky. Acts ch. 156.

8 **(9) KIA Infrastructure for Economic Development Fund for Coal-Producing**
 9 **Counties - 2004-2006:** Notwithstanding KRS 42.4592, the quarterly calculation of the
 10 allocation of moneys to coal-producing counties through the Local Government
 11 Economic Development Fund shall be made only after each quarterly installment of the
 12 annual appropriation of \$694,200 in fiscal year 2011-2012 is appropriated as General
 13 Fund moneys to the Finance and Administration Cabinet, Debt Service budget unit, to
 14 provide General Fund debt service to support a portion of the previously authorized bonds
 15 for the KIA Infrastructure for Economic Development Fund for Coal-Producing Counties
 16 authorized in 2005 Ky. Acts ch. 173.

17 **(10) Infrastructure for Economic Development Fund for Coal-Producing**
 18 **Counties - 2006-2008:** Notwithstanding KRS 42.4592, the quarterly calculation of the
 19 allocation of moneys to coal-producing counties through the Local Government
 20 Economic Development Fund shall be made only after each quarterly installment of the
 21 annual appropriation of \$8,676,300 in fiscal year 2010-2011 and \$8,562,300 in fiscal year
 22 2011-2012 is appropriated as General Fund moneys to the Finance and Administration
 23 Cabinet, Debt Service budget unit, to provide General Fund debt service to support
 24 previously authorized bonds for the Infrastructure for Economic Development Fund for
 25 Coal-Producing Counties authorized in 2006 Ky. Acts ch. 252.

26 **(11) Infrastructure for Economic Development Fund for Coal-Producing**
 27 **Counties - 2008-2010:** Notwithstanding KRS 42.4592, the quarterly calculation of the

1 allocation of moneys to coal-producing counties through the Local Government
 2 Economic Development Fund shall be made only after each quarterly installment of the
 3 annual appropriation of \$7,557,600 in fiscal year 2010-2011 and \$7,538,000 in fiscal year
 4 2011-2012 is appropriated as General Fund moneys to the Kentucky Infrastructure
 5 Authority budget unit, to provide General Fund debt service to support previously
 6 authorized bonds for the Infrastructure for Economic Development Fund for Coal-
 7 Producing Counties authorized in 2008 Ky. Acts ch. 127.

8 **(12) Read to Achieve:** Notwithstanding KRS 42.4592, the quarterly calculation of
 9 the allocation of moneys to coal-producing counties through the Local Government
 10 Economic Development Fund shall be made only after each quarterly installment of the
 11 annual appropriation of \$3,000,000 in fiscal year 2010-2011 and \$3,000,000 in fiscal year
 12 2011-2012 is appropriated as General Fund moneys to the Learning and Results Services
 13 budget unit for the Read to Achieve Program within the Department of Education.

14 **(13) Robinson Scholars Program:** Notwithstanding KRS 42.4592, the quarterly
 15 calculation of the allocation of moneys to coal-producing counties through the Local
 16 Government Economic Development Fund shall be made only after each quarterly
 17 installment of the annual appropriation of \$1,000,000 in fiscal year 2010-2011 and
 18 \$1,000,000 in fiscal year 2011-2012 is appropriated as General Fund moneys to the
 19 University of Kentucky budget unit for the Robinson Scholars Program.

20 **(14) Kentucky Infrastructure Authority:** Notwithstanding KRS 42.4592, the
 21 quarterly calculation of the allocation of moneys to coal-producing counties through the
 22 Local Government Economic Development Fund shall be made only after each quarterly
 23 installment of the annual appropriation of \$370,000 in fiscal year 2010-2011 and
 24 \$370,000 in fiscal year 2011-2012 is appropriated as General Fund moneys to the
 25 Kentucky Infrastructure Authority budget unit.

26 **(15) Department for Local Government:** Notwithstanding KRS 42.4592, the
 27 quarterly calculation of the allocation of moneys to coal-producing counties through the

1 Local Government Economic Development Fund shall be made only after each quarterly
 2 installment of the annual appropriation of \$669,700 in fiscal year 2010-2011 and
 3 \$669,700 in fiscal year 2011-2012 is appropriated as General Fund moneys to the
 4 Department for Local Government budget unit.

5 **(16) Mining Engineering Scholarship Program:** Notwithstanding KRS 42.4592,
 6 the quarterly calculation of the allocation of moneys to coal-producing counties through
 7 the Local Government Economic Development Fund shall be made only after each
 8 quarterly installment of the annual appropriation of \$300,000 in fiscal year 2010-2011
 9 and \$300,000 in fiscal year 2011-2012 is appropriated as General Fund moneys to the
 10 University of Kentucky budget unit for the Mining Engineering Scholarship Program.

11 **(17) School Technology in Coal Counties:** Notwithstanding KRS 42.4592, the
 12 quarterly calculation of the allocation of moneys to coal-producing counties through the
 13 Local Government Economic Development Fund shall be made only after each quarterly
 14 installment of the annual appropriation of \$2,500,000 in fiscal year 2010-2011 and
 15 \$2,500,000 in fiscal year 2011-2012 is appropriated as General Fund moneys to the
 16 Operations and Support Services budget unit within the Department of Education for the
 17 purpose of enhancing education technology in local school districts within coal-producing
 18 counties.

19 **(18) KIA Infrastructure for Economic Development Fund for Coal-Producing**
 20 **Counties - 2004-2006:** Notwithstanding KRS 42.4588, funds totaling \$6,480,900 in
 21 fiscal year 2010-2011 and \$5,778,500 in fiscal year 2011-2012 shall be transferred from
 22 the Local Government Economic Development Fund, Multi-County Fund, to the General
 23 Fund to be used by the Finance and Administration Cabinet, Debt Service budget unit, to
 24 support a portion of the previously authorized bonds for the Infrastructure for Economic
 25 Development Fund for Coal-Producing Counties authorized in 2005 Ky. Acts ch. 173.

26 **(19) Drug Courts:** Notwithstanding KRS 42.4588, \$1,800,000 in fiscal year 2010-
 27 2011 and \$1,800,000 in fiscal year 2011-2012 shall be transferred from the Local

1 Government Economic Development Fund, Multi-County Fund, to the Drug Court
2 Program in the Office of Drug Control Policy, Justice Administration budget unit.

3 **(20) Operation Unite:** Notwithstanding KRS 42.4588, funds totaling \$2,000,000
4 in fiscal year 2010-2011 and \$2,000,000 in fiscal year 2011-2012 shall be transferred
5 from the Local Government Economic Development Fund, Multi-County Fund, to the
6 Office of Drug Control Policy, Justice Administration budget unit, for Operation Unite in
7 relation to the Federal Task Force on Drug Abuse.

8 **(21) Energy Research and Development Fund:** (a) Notwithstanding KRS
9 42.4588, \$3,500,000 in fiscal year 2010-2011 and \$3,500,000 in fiscal year 2011-2012
10 shall be transferred from the Local Government Economic Development Fund, Multi-
11 County Fund, to the Energy Development and Independence budget unit. These funds
12 shall be used, except as specified in paragraph (b) of this subsection, for research projects
13 relating to clean coal, new combustion technology, thin-seam coal extraction safety,
14 tracking and communication devices, coal slurry disposal, synthetic natural gas produced
15 from coal through gasification processes, and the development of alternative
16 transportation fuels produced by processes that convert coal or biomass resources or
17 extract oil from oil shale, and other coal research and shall be targeted solely to
18 Kentucky's Local Government Economic Development Fund-eligible counties. The
19 Department for Energy Development and Independence shall coordinate its efforts with
20 those of Kentucky's universities and related Kentucky Community and Technical College
21 System programs in order to maximize Kentucky's opportunities for federal funding and
22 receive research grants and awards from federal and other sources of funding for the
23 development of clean coal technology, coal-to-liquid-fuel conversion, alternate
24 transportation fuels, and biomass energy resources.

25 (b) Included in the Restricted Funds appropriation in paragraph (a) of this
26 subsection is \$1,000,000 in fiscal year 2010-2011 and \$1,000,000 in fiscal year 2011-
27 2012 which shall not be expended unless matched with federal or private funds for the

1 purpose of supporting research and development activities at the University of Kentucky
2 Center for Applied Energy Research.

3 **(22) Support of the 12 Multi-County Regional Industrial Park Authorities:**

4 Notwithstanding KRS 42.4588, funds totaling \$200,000 in fiscal year 2010-2011 and
5 \$200,000 in fiscal year 2011-2012 shall be transferred from the Local Government
6 Economic Development Fund, Multi-County Fund, to the Department for Local
7 Government budget unit to be distributed equally to the 12 Multi-County regional
8 industrial park authorities located in coal counties to be used for marketing and
9 maintenance of the industrial parks and for procurement of property and casualty
10 insurance on the parks.

11 **(23) Debt Service:** All necessary debt service amounts shall be appropriated from

12 the General Fund and shall be fully paid regardless of whether there are sufficient moneys
13 available to be transferred from coal severance tax-supported funding program accounts
14 to other accounts of the General Fund.

15 **(24) Parameters for County Flexibility:** Notwithstanding KRS 42.4588(2), Local

16 Government Economic Development Fund allocations may be used to support the
17 nonrecurring investments in public health and safety, economic development, public
18 infrastructure, information technology development and access, and public water and
19 wastewater development, with the concurrence of both the respective fiscal court and the
20 Department for Local Government or the Kentucky Infrastructure Authority, as
21 appropriate.

22 **(25) Kentucky Wood Products Competitiveness Corporation:** Notwithstanding

23 KRS 42.4586, no funds shall be transferred to the Secondary Wood Products
24 Development Fund.

25 **(26) Multi-County Fund:** Notwithstanding KRS 42.4588, no grants shall be made

26 from the Local Government Economic Development Fund, Multi-County Fund, without
27 authorization from the General Assembly, unless the grant is for an industrial

development project as specified in KRS 42.4588(2)(a).

14. AREA DEVELOPMENT FUND

	2010-11	2011-12
General Fund	569,600	563,900

(1) **Appropriation Limit:** Notwithstanding KRS 48.185, funds recommended from the General Fund for the Area Development Fund shall be limited to these amounts.

(2) **Area Development District Flexibility:** Notwithstanding KRS 42.350(2) and provided that sufficient funds are maintained in the Joint Funding Agreement program to meet the match requirements for the Economic Development Administration grants, Community Development Block Grants, Appalachian Regional Commission grants, or any federal program where the Joint Funding Agreement funds are utilized to meet non-federal match requirements, an Area Development District with authorization from its Board of Directors may request approval to transfer funding between the Area Development Fund and the Joint Funding Agreement program from the Commissioner of the Department for Local Government.

15. EXECUTIVE BRANCH ETHICS COMMISSION

	2010-11	2011-12
General Fund	451,700	447,200
Restricted Funds	61,000	61,000
TOTAL	512,700	508,200

16. SECRETARY OF STATE

	2010-11	2011-12
General Fund	1,771,400	1,753,700
Restricted Funds	1,081,300	1,092,300
TOTAL	2,852,700	2,846,000

(1) **Use of Restricted Funds:** Notwithstanding KRS 14.140(1) and (3), the above Restricted Funds may be used for the continuation of current activities within the Office

1 of the Secretary of State.

2 **17. BOARD OF ELECTIONS**

3		2010-11	2011-12
4	General Fund	3,930,500	3,891,200
5	Restricted Funds	175,900	160,000
6	Federal Funds	6,305,500	5,305,500
7	TOTAL	10,411,900	9,356,700

8 **(1) Help America Vote Act of 2002:** Amounts above those appropriated that are
 9 necessary to match Federal Funds from the Help America Vote Act shall be deemed a
 10 necessary government expense and shall be paid from the General Fund Surplus Account
 11 (KRS 48.700) or the Budget Reserve Trust Fund Account (KRS 48.705).

12 **(2) Cost of Elections:** Notwithstanding KRS 116.145, the State Board of
 13 Elections shall set a rate for the fee for new voter registration paid to the county clerks
 14 within the available appropriated resources. The State Board of Elections shall also set a
 15 fixed rate for the expenses outlined in KRS 117.343 within the available appropriated
 16 resources. Notwithstanding KRS 117.345(2), the State Board of Elections shall set a rate
 17 for the expenses outlined in KRS 117.345(2) for precincts with a voting machine within
 18 the available appropriated resources, not to exceed \$300 per precinct per election. These
 19 rates and all assumptions as to the number of precincts, registered voters, and new voter
 20 registrations shall be communicated to the Secretary of the Finance and Administration
 21 Cabinet and the State Budget Director by November 1, 2010, for fiscal year 2010-2011
 22 and by November 1, 2011, for fiscal year 2011-2012.

23 Costs associated with special elections, KRS 117.345(2) costs associated with
 24 additional precincts with a voting machine, KRS 117.343 costs for additional registered
 25 voters, and KRS 116.145 costs for additional new registered voters shall be deemed a
 26 necessary government expense and shall be paid from the General Fund Surplus Account
 27 (KRS 48.700) or the Budget Reserve Trust Fund Account (KRS 48.705). Any

reimbursements authorized as a necessary government expense according to the above provisions shall be at the same rates as those established by the State Board of Elections as provided in the above paragraph.

18. REGISTRY OF ELECTION FINANCE

	2010-11	2011-12
General Fund	1,177,700	1,165,900

19. ATTORNEY GENERAL

	2010-11	2011-12
General Fund	10,861,200	10,752,500
Restricted Funds	9,238,800	9,254,600
Federal Funds	4,641,700	3,410,800
TOTAL	24,741,700	23,417,900

(1) Expert Witnesses: In addition to such funds as may be appropriated, the Office of the Attorney General may request from the Finance and Administration Cabinet, as a necessary government expense, such funds as may be necessary for expert witnesses. Upon justification of the request, the Finance and Administration Cabinet shall provide up to \$275,000 for the 2010-2012 fiscal biennium for this purpose to the Office of the Attorney General. The Department of Insurance shall provide the Office of the Attorney General any available information to assist in the preparation of a rate hearing pursuant to KRS 304.17A-095.

(2) Annual and Sick Leave Service Credit: Notwithstanding any statutory or regulatory restrictions to the contrary, any former employee of the Unified Prosecutorial System who has been appointed to a permanent full-time position under KRS Chapter 18A shall be credited annual and sick leave based on service credited under the Kentucky Retirement Systems solely for the purpose of computation of sick and annual leave. This provision shall only apply to any new appointment or current employee as of July 1, 1998.

1 **(3) Legal Services Contracts:** The Office of the Attorney General may present
 2 proposals to state agencies specifying legal work that is presently accomplished through
 3 Personal Service Contracts that indicate the Office of the Attorney General's capacity to
 4 perform the work at a lesser cost. State agencies may agree to make arrangements with
 5 the Office of the Attorney General to perform the legal work and compensate the Office
 6 of the Attorney General for the legal services. Notwithstanding KRS Chapter 45A, the
 7 Office of the Attorney General may contract with outside law firms on a contingency
 8 basis.

9 **(4) Child Sexual Abuse License Plate Revenue:** Notwithstanding KRS 186.162,
 10 the Transportation Cabinet shall review the costs related to the distribution of child
 11 victims' license plates. Any revenue received from the sale or renewal of those plates in
 12 excess of actual costs shall be transferred to the Child Victims' Trust Fund on an annual
 13 basis.

14 **(5) Reasonable Costs of Litigation:** Notwithstanding KRS 48.005(4) and (6),
 15 the Office of the Attorney General may first recover its reasonable costs of litigation, as
 16 determined by the court and approved by the Secretary of the Finance and Administration
 17 Cabinet, and any remaining funds after consumer restitution is made shall be deposited in
 18 the General Fund Surplus Account (KRS 48.700). Any costs recovered under this
 19 subsection shall be reported to the Interim Joint Committee on Appropriations and
 20 Revenue.

21 **(6) Compensatory Leave Conversion to Sick Leave:** If the Office of the
 22 Attorney General determines that internal budgetary pressures warrant further austerity
 23 measures, the Attorney General may institute a policy to suspend payment of 50 hour
 24 blocks of compensatory time for those attorneys who have accumulated 240 hours of
 25 compensatory time and instead convert those hours to sick leave.

26 **20. UNIFIED PROSECUTORIAL SYSTEM**

27 **(1) Prosecutors Advisory Council Administrative Functions:** The Prosecutors

Advisory Council shall approve compensation for employees of the Unified Prosecutorial System subject to the appropriations in this Act.

a. Commonwealth's Attorneys

	2010-11	2011-12
General Fund	35,628,300	35,272,000
Restricted Funds	1,453,500	1,440,200
Federal Funds	284,400	145,100
TOTAL	37,366,200	36,857,300

b. County Attorneys

	2010-11	2011-12
General Fund	30,547,600	30,242,100
Restricted Funds	303,700	303,700
Federal Funds	499,900	499,900
TOTAL	31,351,200	31,045,700

TOTAL - UNIFIED PROSECUTORIAL SYSTEM

	2010-11	2011-12
General Fund	66,175,900	65,514,100
Restricted Funds	1,757,200	1,743,900
Federal Funds	784,300	645,000
TOTAL	68,717,400	67,903,000

21. TREASURY

	2010-11	2011-12
General Fund	1,646,200	1,629,700
Restricted Funds	1,035,400	1,053,300
Road Fund	250,000	250,000
TOTAL	2,931,600	2,933,000

(1) Unclaimed Property Fund: Included in the above Restricted Funds

appropriation is a recurring transfer from the Unclaimed Property Fund. In each respective fiscal year of the 2010-2012 fiscal biennium, \$1,035,400 and \$1,053,300 is appropriated to provide funding for services performed by the Unclaimed Property Division of the Department of the Treasury.

22. AGRICULTURE

	2010-11	2011-12
General Fund	17,095,800	16,924,800
Restricted Funds	9,773,200	8,101,100
Federal Funds	5,006,400	5,012,400
TOTAL	31,875,400	30,038,300

(1) Purchase of Agricultural Conservation Easement (PACE) Program: The Purchase of Agricultural Conservation Easement (PACE) board may contract directly with land surveyors, real estate appraisers, and other licensed professionals as necessary. The Department of Agriculture may receive funds from local and private sources to match Federal Funds for the PACE Program.

(2) Metrology Lab Operating Fees: The Department of Agriculture may promulgate administrative regulations establishing license fees, testing fees, and any other fees necessary to operate and maintain a metrology lab in the Department of Agriculture. These Restricted Funds receipts shall be utilized for personnel and operations of the metrology lab.

(3) County Fair Grants: Included in the above General Fund appropriation is \$495,000 in fiscal year 2010-2011 and \$495,000 in fiscal year 2011-2012, which shall be subject to any General Fund Reduction Order, to support capital improvement grants to the Local Agricultural Fair State Aid Program.

(4) Staffing Support for the World Equestrian Games: Included in the above General Fund appropriation are funds in fiscal year 2010-2011 for the Office of the State Veterinarian to provide staffing support for the quarantine site in northern Kentucky for

1 the World Equestrian Games.

2 **(5) Farms to Food Banks Program:** Included in the above Restricted Funds
3 appropriation are funds in fiscal year 2010-2011 to support the Farms to Food Banks
4 program to benefit both Kentucky farmers and the needy by providing fresh, locally
5 grown produce to food pantries.

6 **23. AUDITOR OF PUBLIC ACCOUNTS**

7		2010-11	2011-12
8	General Fund	4,625,800	4,579,500
9	Restricted Funds	5,129,500	4,964,500
10	TOTAL	9,755,300	9,544,000

11 **(1) Auditor's Scholarships:** Notwithstanding KRS 43.200, no funding is
12 provided for Auditor's scholarships.

13 **(2) Audit Services Contracts:** No state agency shall enter into any contract with
14 a nongovernmental entity for an audit unless the Auditor of Public Accounts has declined
15 in writing to perform the audit or has failed to respond within 30 days of receipt of a
16 written request. The agency requesting the audit shall furnish the Auditor of Public
17 Accounts a comprehensive statement of the scope and nature of the proposed audit.

18 **(3) Compensatory Leave Conversion to Sick Leave:** If the Auditor of Public
19 Accounts determines that internal budgetary pressures warrant further austerity measures,
20 the State Auditor may institute a policy to suspend payment of 50 hour blocks of
21 compensatory time for those employees who have accumulated 240 hours of
22 compensatory time and instead convert those hours to sick leave.

23 **(4) Charges for Mandated Audits:** Any expenses incurred by the Auditor of
24 Public Accounts for auditing individual government entities when mandated by the
25 Legislative Research Commission shall be charged to the agency or entity receiving audit
26 services.

27 **24. PERSONNEL BOARD**

1		2010-11	2011-12
2	Restricted Funds	777,900	777,900

3 **(1) Personnel Board Operating Assessment:** Each agency of the Executive
 4 Branch with employees covered by KRS Chapter 18A shall be assessed each fiscal year
 5 the amount required for the operation of the Personnel Board. The agency assessment
 6 shall be determined by the Secretary of the Finance and Administration Cabinet based on
 7 the authorized full-time positions of each agency on July 1 of each year of the biennium.
 8 The Secretary of the Finance and Administration Cabinet shall collect the assessment.

9 **(2) Special Assessment:** As a result of increased workload or for other reasons in
 10 the best interest of the State Merit System, the Chairman of the Personnel Board may
 11 request a special assessment to adequately provide for the financial needs and operations
 12 of the Personnel Board. Any special assessment for Personnel Board operations shall
 13 receive the prior approval of the State Budget Director and the Secretary of the Finance
 14 and Administration Cabinet. Should a special assessment be approved, it shall be
 15 uniformly implemented with the same procedures as the regular Personnel Board
 16 Operating Assessment.

17 **25. KENTUCKY RETIREMENT SYSTEMS**

18		2010-11	2011-12
19	Restricted Funds	26,191,000	26,191,000

20 **(1) Dependent Subsidy for Retirees - Kentucky Employee Retirement**
 21 **System:** From July 1, 2010, through June 30, 2012, in addition to the benefits conferred
 22 under KRS 61.702, a recipient of a nonhazardous monthly retirement allowance shall also
 23 be eligible for the dependent subsidy as provided under the terms established by the State
 24 Group Health Insurance Program. The dependent subsidy conferred to recipients of a
 25 nonhazardous monthly retirement allowance shall not be considered as a benefit protected
 26 by the inviolable contract provisions of KRS 16.652, 61.692, and 78.852.

27 **(2) Dependent Subsidy for Retirees - County Employees Retirement System:**

From July 1, 2010, through June 30, 2012, in addition to the benefits conferred under KRS 61.702, a recipient of a nonhazardous monthly retirement allowance shall also be eligible for the dependent subsidy as provided under the terms established by the State Group Health Insurance Program. The dependent subsidy conferred to recipients of a nonhazardous monthly retirement allowance shall not be considered as a benefit protected by the inviolable contract provisions of KRS 16.652, 61.692, and 78.852.

26. OCCUPATIONAL AND PROFESSIONAL BOARDS AND COMMISSIONS

a. Accountancy

	2010-11	2011-12
Restricted Funds	630,500	637,500

b. Certification of Alcohol and Drug Counselors

	2010-11	2011-12
Restricted Funds	67,200	67,200

c. Architects

	2009-10	2010-11	2011-12
Restricted Funds	15,000	409,000	416,300

d. Certification for Professional Art Therapists

	2010-11	2011-12
Restricted Funds	11,400	11,400

e. Auctioneers

	2010-11	2011-12
Restricted Funds	403,800	405,700

f. Barbering

	2009-10	2010-11	2011-12
Restricted Funds	13,100	310,000	314,900

g. Chiropractic Examiners

1		2010-11	2011-12
2	Restricted Funds	274,600	279,000
3	h. Dentistry		
4		2009-10	2010-11
5	Restricted Funds	50,000	705,400
6	i. Licensure and Certification for Dietitians and Nutritionists		
7		2010-11	2011-12
8	Restricted Funds	69,600	69,600
9	j. Embalmers and Funeral Directors		
10		2009-10	2010-11
11	Restricted Funds	26,200	366,200
12	k. Licensure for Professional Engineers and Land Surveyors		
13		2010-11	2011-12
14	Restricted Funds	1,445,300	1,466,800
15	l. Certification of Fee-Based Pastoral Counselors		
16		2010-11	2011-12
17	Restricted Funds	3,500	3,500
18	m. Registration for Professional Geologists		
19		2010-11	2011-12
20	Restricted Funds	115,000	115,000
21	n. Hairdressers and Cosmetologists		
22		2010-11	2011-12
23	Restricted Funds	1,174,000	1,194,500
24	o. Specialists in Hearing Instruments		
25		2010-11	2011-12
26	Restricted Funds	52,700	52,700
27	p. Interpreters for the Deaf and Hard of Hearing		

1		2010-11	2011-12
2	Restricted Funds	31,000	31,000
3	q. Examiners and Registration of Landscape Architects		
4		2009-10	2010-11
5	Restricted Funds	5,200	67,700
6	r. Licensure of Marriage and Family Therapists		
7		2010-11	2011-12
8	Restricted Funds	83,200	83,200
9	s. Licensure for Massage Therapy		
10		2010-11	2011-12
11	Restricted Funds	120,700	120,700
12	t. Medical Licensure		
13		2010-11	2011-12
14	Restricted Funds	2,658,600	2,684,300
15	u. Nursing		
16		2010-11	2011-12
17	Restricted Funds	5,517,700	5,615,500
18	v. Licensure for Nursing Home Administrators		
19		2010-11	2011-12
20	Restricted Funds	47,000	47,000
21	w. Licensure for Occupational Therapy		
22		2010-11	2011-12
23	Restricted Funds	107,600	107,600
24	x. Ophthalmic Dispensers		
25		2010-11	2011-12
26	Restricted Funds	57,400	57,400
27	y. Optometric Examiners		

1		2009-10	2010-11	2011-12
2	Restricted Funds	5,700	179,300	181,800
3	z. Pharmacy			
4			2010-11	2011-12
5	Restricted Funds		1,367,800	1,392,200
6	aa. Physical Therapy			
7			2010-11	2011-12
8	Restricted Funds		398,900	407,900
9	ab. Podiatry			
10			2010-11	2011-12
11	Restricted Funds		24,700	24,700
12	ac. Private Investigators			
13			2010-11	2011-12
14	Restricted Funds		80,000	80,000
15	ad. Licensed Professional Counselors			
16			2010-11	2011-12
17	Restricted Funds		126,800	126,800
18	ae. Proprietary Education			
19			2010-11	2011-12
20	Restricted Funds		206,800	206,800
21	af. Examiners of Psychology			
22			2010-11	2011-12
23	Restricted Funds		191,100	191,100
24	ag. Real Estate Appraisers			
25			2010-11	2011-12
26	Restricted Funds		684,900	694,300
27	ah. Real Estate Commission			

1		2010-11	2011-12
2	Restricted Funds	2,174,300	2,200,000

3 **ai. Respiratory Care**

4		2009-10	2010-11	2011-12
5	Restricted Funds	2,500	190,900	193,800

6 **aj. Social Work**

7		2009-10	2010-11	2011-12
8	Restricted Funds	22,900	226,300	230,100

9 **ak. Speech-Language Pathology and Audiology**

10		2010-11	2011-12
11	Restricted Funds	157,200	157,200

12 **al. Veterinary Examiners**

13		2010-11	2011-12
14	Restricted Funds	237,800	237,800

15 **TOTAL - OCCUPATIONAL AND PROFESSIONAL BOARDS AND**
16 **COMMISSIONS**

17		2009-10	2010-11	2011-12
18	Restricted Funds	140,600	20,975,900	21,261,300

19 **27. KENTUCKY RIVER AUTHORITY**

20		2010-11	2011-12
21	General Fund	257,700	255,100
22	Restricted Funds	4,548,800	3,814,500
23	TOTAL	4,806,500	4,069,600

24 **(1) Water Withdrawal Fees:** The water withdrawal fees imposed by the
25 Kentucky River Authority shall not be subject to state and local taxes. Notwithstanding
26 KRS 151.710(10), Tier I water withdrawal fees shall be used to support the operations of
27 the Authority and for contractual services for water supply and quality studies.

1 **28. SCHOOL FACILITIES CONSTRUCTION COMMISSION**

2		2010-11	2011-12
3	General Fund	101,433,100	102,802,000

4 **(1) Debt Service:** Included in the above General Fund appropriation is
5 \$4,050,000 in fiscal year 2010-2011 and \$12,656,200 in fiscal year 2011-2012 for new
6 debt service to support bonds as set forth in Part II, Capital Projects Budget, of this Act.

7 **(2) Urgent Need School Trust Fund:** (a) The Urgent Need School Trust Fund is
8 established in the Finance and Administration Cabinet for the purpose of assisting school
9 districts that have urgent and critical construction needs. The Urgent Need School Trust
10 Fund shall be administered by the School Facilities Construction Commission. The fund
11 may receive state appropriations, contributions, and grants from any source which shall
12 be credited to the trust fund and invested until needed. All interest earned on the fund
13 shall be retained in the trust fund. Notwithstanding KRS 45.229, moneys in the trust fund
14 shall not lapse but shall carry forward at the end of each fiscal year.

15 (b) A local school district that has escrowed urgent need funds may use these
16 funds to purchase property and to perform site work on purchased property.

17 (c) Notwithstanding KRS 157.611 to 157.640, 157.650, 157.655, 157.660, or
18 157.665, the School Facilities Construction Commission is authorized to make additional
19 offers of assistance of up to \$65,494,000 to address the requirements of Part I, C., 4., (18)
20 of this Act.

21 (d) Included in the above appropriation are sufficient funds to meet the
22 requirements of Part II, A., 12., 004. of this Act.

23 **(3) Additional Offers of Assistance:** Notwithstanding KRS 157.611 to 157.640,
24 157.650, 157.655, 157.660, or 157.665, the School Facilities Construction Commission is
25 authorized to make an additional \$100,000,000 in offers of assistance during the 2010-
26 2012 biennium in anticipation of debt service availability during the 2012-2014
27 biennium. No bonded indebtedness based on the above amount is to be incurred during

1 the 2010-2012 biennium.

2 **29. TEACHERS' RETIREMENT SYSTEM**

3		2010-11	2011-12
4	General Fund	219,491,900	238,637,000
5	Restricted Funds	11,428,700	12,030,300
6	TOTAL	230,920,600	250,667,300

7 **(1) State Retirement Obligations:** Notwithstanding KRS 161.550, General Fund
 8 moneys are appropriated to comply with the obligations of the state under the Teachers'
 9 Retirement System statutes as provided in KRS 161.220 to 161.716.

10 **(2) Administrative Costs:** In accordance with KRS 161.420, in each fiscal year
 11 an amount not greater than four percent of the receipts of the state accumulation fund
 12 shall be set aside into the expense fund or expended for the administration of the
 13 retirement system.

14 **(3) Amortization of Sick Leave:** Included in the above General Fund
 15 appropriation is \$6,516,600 in fiscal year 2010-2011 and \$13,674,800 in fiscal year 2011-
 16 2012 to provide the cost of amortizing the requirements of KRS 161.155, relating to sick
 17 leave, for members retiring during the 2010-2012 fiscal biennium.

18 **(4) State Medical Insurance Fund Financing:** Notwithstanding KRS 161.420
 19 and 161.550, a portion of the state employer contribution in a sufficient amount shall be
 20 allocated to the Teachers' Retirement System Medical Insurance Fund instead of the State
 21 Accumulation Fund. Also, included in the above General Fund appropriation is
 22 \$74,693,700 in debt service in fiscal year 2010-2011 and \$95,281,200 in fiscal year 2011-
 23 2012 for bonds issued to fulfill existing state obligations to the State Accumulation Fund
 24 due to borrowings from the fund on behalf of the Medical Insurance Fund. The debt
 25 service will also support bonds issued in support of the Medical Insurance Fund for
 26 projected needs during the 2010-2012 fiscal biennium, the increased costs to state
 27 agencies, and medical coverage for new under-65 retirees net of the Medicare equivalent

1 contribution made by the under-65 retiree.

2 **(5) Dependent Subsidy for Retirees under age 65:** Notwithstanding KRS
3 161.675(4)(a) and (b), from July 1, 2010, through June 30, 2012, for all retirees under the
4 age of 65 who participate in the Kentucky Group Health Insurance Program through the
5 Kentucky Teachers' Retirement System, the Kentucky Teachers' Retirement System shall
6 pay the same dependent subsidy that Executive Branch agencies pay for their active
7 employees who have similar coverage. The dependent subsidy is not subject to KRS
8 161.714.

9 **(6) Highly Skilled Educators' Retirement Benefits:** Salary supplements
10 received by persons selected as highly skilled educators on or after July 1, 2000, shall not
11 be included in the total salary compensation for any retirement benefits to which the
12 employee may be entitled.

13 **(7) Supplemental Health Insurance Funding:** Notwithstanding KRS
14 161.675(4)(a) and (b), included in the above General Fund appropriation is \$50,000 in
15 each fiscal year to enable the retirement system to provide a subsidy from July 1, 2010,
16 through June 30, 2012, for those retired state members over age 65 that insure their
17 spouses under age 65 through the state health insurance plan. The amount of the subsidy
18 for those over age 65 shall not exceed the amount of the subsidy for members under age
19 65 that choose couple, family, or parent plus coverage. The spousal subsidy is not subject
20 to KRS 161.714.

21 **30. JUDGMENTS**

	2010-11	2011-12
22 General Fund	-0-	-0-

24 **(1) Payment of Judgments and Carry Forward of General Fund**
25 **Appropriation Balance:** The above appropriation is for the payment of judgments as
26 may be rendered against the Commonwealth by courts and orders of the State Personnel
27 Board and, where applicable, shall be subject to the provisions of KRS Chapter 45, and

for the payment of medical malpractice judgments against the University of Kentucky and the University of Louisville in accordance with KRS 164.892 and 164.941, and for the payment of judgments, audit adjustments, and excess billings to federal programs related to transfers from statewide internal service funds to the General Fund authorized in prior Appropriations Acts. Funds required to pay the costs of items included within the Judgments budget unit are appropriated, and any required expenditure over the above amounts is to be paid first from the General Fund Surplus Account (KRS 48.700), if available, or from the Budget Reserve Trust Fund Account (KRS 48.705), subject to the conditions and procedures provided in this Act.

31. APPROPRIATIONS NOT OTHERWISE CLASSIFIED

	2010-11	2011-12
General Fund	5,776,100	5,776,100

(1) Funding Sources for Appropriations Not Otherwise Classified: Funds required to pay the costs of items included within the Appropriations Not Otherwise Classified are appropriated. Any required expenditure over the above amounts is to be paid first from the General Fund Surplus Account (KRS 48.700), if available, or from any available balance in either the Judgments budget unit appropriation or the Budget Reserve Trust Fund Account (KRS 48.705), subject to the conditions and procedures provided in this Act.

The above appropriation is for the payment of Attorney General Expense, Board of Claims Award, Guardian Ad Litem, Prior Year Claims, Unredeemed Checks Refunded, Involuntary Commitments - ICF/MR, Frankfort in Lieu of Taxes, Frankfort Cemetery, Police Officer, Firefighter, and National Guard and Reserve Survivor Benefits, Medical Malpractice Liability Insurance Reimbursement, and Blanket Employee Bonds.

(2) Repayment of Awards or Judgments: Funds are appropriated from the General Fund for the repayment of awards or judgments made by the Board of Claims against departments, boards, commissions, and other agencies maintained by

appropriations out of the General Fund. However, awards under \$5,000 shall be paid from funds available for the operations of the agency.

(3) Guardian Ad Litem Fees: Included in the above appropriation is funding for fees to be paid to each guardian ad litem appointed by the court pursuant to KRS 311.732. The fee shall be fixed by the court and shall not exceed \$500.

(4) Reissuance of Uncashed Checks: Checks written by the State Treasurer and not cashed within the statutory period may be presented to the State Treasurer for reissuance in accordance with KRS 41.370.

(5) Police Officer, Firefighter, and Active Duty National Guard and Reserve Survivor Benefits: Funds are appropriated for payment of benefits for state and local police officers, firefighters, and active duty National Guard and reserve members in accordance with KRS 61.315 and 95A.070.

TOTAL - GENERAL GOVERNMENT

	2009-10	2010-11	2011-12
General Fund (Tobacco)	-0-	30,529,000	17,691,600
General Fund	-0-	577,898,000	611,613,100
Restricted Funds	140,600	179,912,200	194,728,900
Federal Funds	-0-	292,027,800	194,581,600
Road Fund	-0-	500,000	500,000
TOTAL	140,600	1,080,867,000	1,019,115,200

B. ECONOMIC DEVELOPMENT CABINET

Budget Units

1. SECRETARY

	2010-11	2011-12
General Fund	13,518,600	13,947,400
Restricted Funds	186,800	200,000
TOTAL	13,705,400	14,147,400

1 **(1) Funding for Commercialization and Innovation:** Notwithstanding KRS
2 154.12-278, interest income earned on the balances in the High-Tech
3 Construction/Investment Pool and loan repayments received by the High-Tech
4 Construction/Investment Pool shall be used to support the Department for
5 Commercialization and Innovation and are appropriated in addition to amounts
6 appropriated above.

7 **(2) Debt Service:** Included in the above General Fund appropriation is \$564,000
8 in fiscal year 2011-2012 for debt service to support new bonds as set forth in Part II,
9 Capital Projects Budget, of this Act.

10 **(3) Cabinet Secretary Compensation:** Notwithstanding KRS 154.10-050(2), the
11 Secretary for the Cabinet for Economic Development shall not be paid a salary greater
12 than the salary of the Governor of the Commonwealth.

13 **(4) Angel Investor Program:** The Cabinet for Economic Development is
14 directed to study the potential benefits of developing an Angel Investor Program,
15 including an evaluation of the current Kentucky Investment Fund Act, the benefits of tax
16 credits to encourage Angel investing, and the methods used by other states and the
17 effectiveness of those methods. The Cabinet shall report to the Interim Joint Committee
18 on Appropriations and Revenue by December 1, 2010.

19 **(5) Airport Expansion Incentives:** The Cabinet for Economic Development is
20 directed to study the potential benefits of developing an incentive program for the
21 purpose of attracting commercial airlines to existing Kentucky airports that have available
22 and unused terminal space, gates, hangar facilities, or other unused capacity, and unmet
23 flight demand. The Cabinet shall report to the Interim Joint Committee on
24 Appropriations and Revenue and the Interim Joint Committee on Transportation by
25 December 1, 2010.

26 **(6) Louisville Waterfront Development Corporation:** Included in the above
27 General Fund appropriation is \$420,800 in fiscal year 2010-2011 and \$420,800 in fiscal

year 2011-2012 for the Louisville Waterfront Development Corporation.

(7) Allen County Industrial Authority Grant: Included in the above General Fund appropriation is \$1,000,000 in fiscal year 2010-2011 for a grant to the Allen County Industrial Authority to support construction of a storage facility for the benefit of the J.M. Smucker Company.

(8) Kentucky Innovation and Commercialization Center Program: The Kentucky Innovation and Commercialization Center Program authorized in KRS 154.12-305 shall remain open for the 2010-2012 fiscal biennium. Included in the above General Fund appropriation are sufficient funds to support the six Innovation and Commercialization Centers and seven Satellite Innovation Centers.

2. BUSINESS DEVELOPMENT

	2010-11	2011-12
General Fund	4,729,800	4,682,500
Restricted Funds	300,000	300,000
Federal Funds	155,400	155,400
TOTAL	5,185,200	5,137,900

3. FINANCIAL INCENTIVES

	2010-11	2011-12
General Fund	5,321,700	10,987,600
Restricted Funds	1,579,500	1,612,700
TOTAL	6,901,200	12,600,300

(1) Debt Service: Included in the above General Fund appropriation is \$2,161,500 in fiscal year 2010-2011 and \$7,859,000 in fiscal year 2011-2012 for debt service to support new bonds as set forth in Part II, Capital Projects Budget, of this Act.

(2) Carry Forward of General Fund Appropriation Balance for Bluegrass State Skills Corporation: Notwithstanding KRS 45.229, the General Fund appropriation balance for training grants for fiscal year 2010-2011 and for fiscal year 2011-2012 for the

Bluegrass State Skills Corporation shall not lapse and shall carry forward.

TOTAL - ECONOMIC DEVELOPMENT CABINET

	2010-11	2011-12
General Fund	23,570,100	29,617,500
Restricted Funds	2,066,300	2,112,700
Federal Funds	155,400	155,400
TOTAL	25,791,800	31,885,600

C. DEPARTMENT OF EDUCATION

Budget Units

1. EXECUTIVE POLICY AND MANAGEMENT

	2010-11	2011-12
General Fund	3,102,600	596,500

(1) Employment of Personnel: Notwithstanding KRS 18A.115, the Department of Education may fill, through memoranda of agreement, not more than 50 percent of its existing authorized positions below the division director level with individuals employed as school administrators and educators in Kentucky.

(2) Employment of Leadership Personnel: Notwithstanding KRS 18A.005 to 18A.200, the Kentucky Board of Education shall continue to have sole authority to determine the employees of the Department of Education who are exempt from the classified service and to set their compensation comparable to the competitive market.

(3) Review of the Classification of Primary and Secondary School Buildings: Included in the above General Fund appropriation is \$2,500,000 in fiscal year 2010-2011 to implement KRS 157.420(9) and (10). Notwithstanding KRS 45.229, any portion of the \$2,500,000 that has not been expended by the end of fiscal year 2010-2011 shall not lapse and shall carry forward into fiscal year 2011-2012.

2. OPERATIONS AND SUPPORT SERVICES

	2010-11	2011-12
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1	General Fund	41,745,400	41,206,400
2	Restricted Funds	2,243,600	2,269,300
3	Federal Funds	16,027,800	10,527,800
4	TOTAL	60,016,800	54,003,500

5 **(1) School Technology in Coal Counties:** Notwithstanding KRS 42.4588(2) and
6 (4), included in the above General Fund appropriation is \$2,500,000 in each fiscal year
7 from the Local Government Economic Development Fund for the purpose of enhancing
8 education technology in local school districts within coal-producing counties. The
9 Commissioner of Education shall use the appropriation in this subsection to continue the
10 Coal County Computing program in conjunction with the Cabinet for Economic
11 Development through its Department of Commercialization and Innovation.

12 **(2) Education Technology Program:** Included in the above General Fund
13 appropriation is \$17,361,800 in fiscal year 2010-2011 and \$17,188,100 in fiscal year
14 2011-2012 for the Education Technology Program.

15 **3. LEARNING AND RESULTS SERVICES**

16		2010-11	2011-12
17	General Fund (Tobacco)	2,150,000	2,050,000
18	General Fund	887,490,300	886,882,200
19	Restricted Funds	3,357,800	3,363,100
20	Federal Funds	1,016,067,300	837,825,600
21	TOTAL	1,909,065,400	1,730,120,900

22 **(1) Funding for Employer Health and Life Insurance:** If the costs for health
23 insurance or life insurance coverage for employees of local school districts exceed the
24 levels of appropriated funds, any unexpended Support Education Excellence in Kentucky
25 appropriations may be used to offset the unbudgeted costs. Any transfer shall be subject
26 to approval of the Governor upon the written recommendation of the State Budget
27 Director pursuant to the written request of the Commissioner of Education. The per-

1 month per-employee administrative assessment shall be remitted to the Personnel Cabinet
2 by the Department of Education from the General Fund appropriation for local school
3 district health and life insurance.

4 **(2) Kentucky Education Technology System:** The School for the Deaf and the
5 School for the Blind shall be fully eligible, along with local school districts, to participate
6 in the Kentucky Education Technology System in a manner that takes into account the
7 special needs of the students of these two schools.

8 **(3) Family Resource and Youth Services Centers:** Funds appropriated to
9 establish and support Family Resource and Youth Services Centers shall be transferred in
10 fiscal year 2010-2011 and in fiscal year 2011-2012 to the Cabinet for Health and Family
11 Services consistent with KRS 156.497. The Cabinet for Health and Family Services is
12 authorized to use, for administrative purposes, no more than three percent of the total
13 funds transferred from the Department of Education for the Family Resource and Youth
14 Services Centers. If a certified person is employed as a director or coordinator of a Family
15 Resource and Youth Services Center, that person shall retain his or her status as a
16 certified employee of the school district.

17 If 70 percent or more of the funding level provided by the state is utilized to support
18 the salary of the director of a center, that center shall provide a report to the Cabinet for
19 Health and Family Services identifying the salary of the director. The Cabinet for Health
20 and Family Services shall transmit any reports received from Family Resource and Youth
21 Services Centers pursuant to this paragraph to the Legislative Research Commission.

22 **(4) Health Insurance:** Included in the above General Fund appropriation is
23 \$609,013,700 in fiscal year 2010-2011 and \$614,768,000 in fiscal year 2011-2012 for
24 employer contributions for health insurance and the contribution to the health
25 reimbursement account for employees waiving coverage.

26 **(5) Program Flexibility:** Notwithstanding KRS 157.226(2) and (3), 157.3175(3)
27 and (4), and 160.345(8) with regard to the state allocation, four programs (Professional

1 Development, Extended School Services, Textbooks, and Safe Schools) shall continue to
 2 permit the state and local school districts additional flexibility in the distribution of
 3 program funds while still addressing the governing statutes and serving the need and the
 4 intended student population. Notwithstanding KRS 157.226(2) and (3), 157.3175(3) and
 5 (4), and 160.345(8) with regard to the state allocation, local school districts may use
 6 funds from the Professional Development, Extended School Services, Textbooks, and
 7 Safe Schools programs to supplement the Preschool program in fiscal year 2010-2011
 8 and in fiscal year 2011-2012.

9 **(6) Publishing Requirements:** Notwithstanding KRS 160.463 and 424.220,
 10 public availability of the school district's complete annual financial statement and the
 11 school report card shall be made by publishing the documents in the newspaper of the
 12 largest general circulation in the county, electronically on the Internet, or by printed copy
 13 at a prearranged site at the main branch of the public library within the school district. If
 14 publication on the Internet or by printed copy at the public library is chosen, the
 15 superintendent shall be directed to publish notification in the newspaper of the largest
 16 circulation in the county as to the location where the document can be viewed by the
 17 public. The notification shall include the address of the library or the electronic address of
 18 the Web site on the Internet where the documents can be viewed.

19 **(7) Locally Operated Vocational Programs:** Notwithstanding KRS 157.069, the
 20 supplemental funding distribution shall include Category II and III programs in districts
 21 established after June 21, 2001, with state assistance, if approved by the Commissioner of
 22 Education.

23 **(8) Coordination With Head Start:** Each local district shall work with Head
 24 Start and other existing preschool programs to avoid duplication of services and
 25 programs, to avoid supplanting federal funds, and to maximize Head Start funds in order
 26 to serve as many four year old children as possible, and shall maintain certification from
 27 the Head Start director that the Head Start Program is fully utilized. If a local district fails

1 to comply with the requirements of this subsection, the Commissioner of Education shall
2 withhold preschool funding for an amount equal to the number of Head Start eligible
3 children served in the district who would have been eligible to be served by Head Start
4 under the full utilization certification required under this subsection. The Commissioner
5 of Education shall resolve any disputes and make a determination of the district's
6 compliance with the full utilization requirement.

7 **(9) Highly Skilled Educators:** Notwithstanding KRS 158.6455(3), 158.782, and
8 160.350(3), the Kentucky Department of Education shall have the authority to expend
9 moneys appropriated for the Highly Skilled Education Assistance Program in fiscal year
10 2010-2011 on intervention services that may be required by the Federal No Child Left
11 Behind Act of 2001 (Public Law 107-110). No funds are provided for the Highly Skilled
12 Education Assistance Program in fiscal year 2011-2012.

13 **(10) Commonwealth School Improvement Fund:** Notwithstanding KRS
14 158.805, the Commissioner of Education shall be authorized to use the Commonwealth
15 School Improvement Fund to provide support services to schools needing assistance
16 under KRS 158.6455 or in order to meet the requirements of No Child Left Behind.

17 **(11) Advisory Council for Gifted and Talented Education:** Notwithstanding
18 KRS 158.648(1), a member of the State Advisory Council for Gifted and Talented
19 Education may be reappointed but shall not serve more than three consecutive terms.
20 Notwithstanding KRS 158.648(1), a member of the Kentucky Association for Gifted
21 Education shall be a voting member of the State Advisory Council for Gifted and
22 Talented Education.

23 **(12) Allocation of Safe School Funds:** Notwithstanding KRS 158.446, the Center
24 for School Safety shall develop and implement allotment policies for all moneys received
25 for the purposes of KRS 158.440, 158.441, 158.442, 158.445, and 158.446.

26 **(13) Allocations to School-Based Decision Making Councils:** Notwithstanding
27 KRS 160.345(8), for fiscal years 2010-2011 and 2011-2012, a local board of education

1 may reduce the allocations to individual schools within the district as outlined in 702
 2 KAR 3:246, secs. 6, 7, and 8. The allocation under 702 KAR 3:246, sec. 6, shall not be
 3 less than \$100 per pupil in average daily attendance.

4 **(14) Kentucky School for the Blind and Kentucky School for the Deaf:**
 5 Included in the above General Fund appropriation is \$6,826,500 in each year of the fiscal
 6 biennium for the Kentucky School for the Blind, and \$10,041,500 in each year of the
 7 fiscal biennium for the Kentucky School for the Deaf.

8 **(15) Learning and Results Services Programs:** Notwithstanding KRS 156.265,
 9 included in the above General Fund appropriation are the following allocations for the
 10 2010-2012 fiscal biennium:

11 (a) \$1,351,600 in fiscal year 2010-2011 and \$1,338,100 in fiscal year 2011-2012
 12 for the ACT and WorkKeys testing;

13 (b) \$96,500 in fiscal year 2010-2011 and \$95,500 in fiscal year 2011-2012 for the
 14 Appalachian Learning Disabled Tutoring;

15 (c) \$595,200 in fiscal year 2010-2011 and \$589,200 in fiscal year 2011-2012 for
 16 the Blind/Deaf Residential Travel Program;

17 (d) \$1,351,600 in fiscal year 2010-2011 and \$1,338,100 in fiscal year 2011-2012
 18 for the Collaborative Center for Literacy Development;

19 (e) \$8,036,600 in fiscal year 2010-2011 and \$7,956,200 in fiscal year 2011-2012
 20 for the Commonwealth Accountability Testing System-Report Card;

21 (f) \$1,455,800 in fiscal year 2010-2011 and \$1,441,200 in fiscal year 2011-2012
 22 for the Commonwealth School Improvement Fund;

23 (g) \$2,027,400 in fiscal year 2010-2011 and \$2,007,100 in fiscal year 2011-2012
 24 for the Community Education Program;

25 (h) \$696,000 in fiscal year 2010-2011 and \$689,000 in fiscal year 2011-2012 for
 26 the Dropout Prevention Program;

27 (i) \$467,600 in fiscal year 2010-2011 and \$463,000 in fiscal year 2011-2012 for

1 the Elementary Arts and Humanities Program;

2 (j) \$482,700 in fiscal year 2010-2011 and \$477,900 in fiscal year 2011-2012 for
3 the Every1 Reads Program;

4 (k) \$12,771,700 in fiscal year 2010-2011 and \$12,643,900 in fiscal year 2011-
5 2012 for the Extended School Services Program;

6 (l) \$54,599,200 in fiscal year 2010-2011 and \$54,053,200 in fiscal year 2011-
7 2012 for the Family Resource and Youth Services Centers Program;

8 (m) \$246,200 in fiscal year 2010-2011 and \$243,700 in fiscal year 2011-2012 for
9 the Georgia Chaffee Teenage Parent Program;

10 (n) \$6,875,400 in fiscal year 2010-2011 and \$6,806,700 in fiscal year 2011-2012
11 for the Gifted and Talented Program;

12 (o) \$5,189,600 in fiscal year 2010-2011 for the Highly Skilled Educator Program;

13 (p) \$368,200 in fiscal year 2010-2011 and \$364,600 in fiscal year 2011-2012 for
14 the Leadership and Mentor Fund;

15 (q) \$2,343,000 in fiscal year 2010-2011 and \$2,319,500 in fiscal year 2011-2012
16 for the Local School District Life Insurance;

17 (r) \$11,876,700 in fiscal year 2010-2011 and \$11,757,900 in fiscal year 2011-
18 2012 for the Locally Operated Vocational Schools;

19 (s) \$5,696,100 in fiscal year 2010-2011 and \$5,639,100 in fiscal year 2011-2012
20 for the Mathematics Achievement Fund;

21 (t) \$374,100 in fiscal year 2010-2011 and \$370,300 in fiscal year 2011-2012 for
22 the Middle School Academic Center;

23 (u) \$332,100 in fiscal year 2010-2011 and \$328,800 in fiscal year 2011-2012 for
24 the Partnership for Student Success Program;

25 (v) \$72,531,600 in fiscal year 2010-2011 and \$71,806,300 in fiscal year 2011-
26 2012 for the Preschool Program;

27 (w) \$6,027,000 in fiscal year 2010-2011 and \$5,966,700 in fiscal year 2011-2012

1 for the Professional Development Program (Staff Development);

2 (x) \$960,300 in fiscal year 2010-2011 and \$950,700 in fiscal year 2011-2012 for
3 the Professional Growth Fund;

4 (y) \$18,882,400 in fiscal year 2010-2011 and \$18,693,600 in fiscal year 2011-
5 2012 for the Read to Achieve Program;

6 (z) \$4,546,600 in fiscal year 2010-2011 and \$4,501,100 in fiscal year 2011-2012
7 for the Safe Schools Program;

8 (aa) \$482,700 in fiscal year 2010-2011 and \$477,900 in fiscal year 2011-2012 for
9 the Save the Children/Rural Literacy Program;

10 (ab) \$4,212,500 in fiscal year 2010-2011 and \$4,170,400 in fiscal year 2011-2012
11 for the School Food Services;

12 (ac) \$10,583,400 in fiscal year 2010-2011 and \$10,477,500 in fiscal year 2011-
13 2012 for the State Agency Children Program;

14 (ad) \$1,544,700 in fiscal year 2010-2011 and \$1,529,300 in fiscal year 2011-2012
15 for the Teacher Academies Program;

16 (ae) \$1,821,500 in fiscal year 2010-2011 and \$1,803,300 in fiscal year 2011-2012
17 for the Teacher Recruitment and Retention Program-Educator Quality & Diversity;

18 (af) \$646,900 in fiscal year 2010-2011 and \$640,400 in fiscal year 2011-2012 for
19 the Textbooks Program;

20 (ag) \$772,300 in fiscal year 2010-2011 and \$764,600 in fiscal year 2011-2012 for
21 the Virtual Learning Program; and

22 (ah) \$589,200 in fiscal year 2010-2011 and \$583,300 in fiscal year 2011-2012 for
23 the Writing Program.

24 **(16) Local District Grant Carry Forward:** Notwithstanding 2008 Ky. Acts ch.
25 127, Part I, D., 3., (17), KRS 158.792(2), and 158.844(5), any non-SEEK state grant
26 funds appropriated to the Department of Education to be disbursed to local school
27 districts that are unexpended during fiscal year 2009-2010 shall lapse to the General

1 Fund.

2 **(17) School Calendars:** Prior to the approval of school calendars for fiscal year
3 2010-2011, the Kentucky Board of Education shall by administrative regulation establish
4 procedures by which the Commissioner of Education may approve innovative alternative
5 school calendars. No later than October 31, 2010, the Department of Education shall
6 report to the Interim Joint Committee on Education the results for the state assessment
7 system, the norm referenced test, and the EXPLORE, PLAN, and ACT tests for each
8 school district with a school calendar of less than 177 school days.

9 **(18) Surplus Property:** Notwithstanding KRS 45A.045, 45.777, and 56.463, any
10 funds received by the Commonwealth from the disposal of any surplus property at the
11 Kentucky School for the Blind and the Kentucky School for the Deaf shall be deposited
12 in a restricted account and shall not be expended without appropriation authority granted
13 by the General Assembly.

14 **(19) Use of Local District Capital Funds:** Notwithstanding KRS 157.420(4) and
15 (6), 157.440, and 157.621, a local board of education may submit a request to the
16 Commissioner of Education to utilize any capital funds, regardless of the source, for
17 general operating expenses in fiscal year 2010-2011 and fiscal year 2011-2012 without
18 forfeiting the district's eligibility to participate in the School Facilities Construction
19 Commission program. Prior to August 1, 2010, the Kentucky Board of Education shall
20 approve guidelines to be followed in considering such requests from local boards of
21 education.

22 **(20) Dual Course Credit:** Notwithstanding any statute to the contrary, the
23 Commissioner of Education may approve a plan that is established by a local school
24 board and a Southern Association of Colleges and Schools accredited postsecondary
25 education institution for purposes of granting high school and college credit and which
26 allows students to fulfill high school graduation requirements and compulsory school
27 attendance; providing rigorous academic curriculum within a supportive and nurturing

environment for underserved students; and encouraging academic success by linking students, teachers, and community partners in innovative ways.

(21) Lexington Hearing and Speech Center: Included in the above General Fund appropriation is \$100,000 in each fiscal year for the Lexington Hearing and Speech Center to provide speech and hearing services for Kentucky children.

4. SUPPORT EDUCATION EXCELLENCE IN KENTUCKY (SEEK) PROGRAM

	2010-11	2011-12
General Fund	2,725,530,500	2,894,186,800
Federal Funds	182,486,200	-0-
TOTAL	2,908,016,700	2,894,186,800

(1) Common School Fund Earnings: Accumulated earnings for the Common School Fund shall be transferred in each fiscal year to the SEEK Program.

(2) Base SEEK Allotments: Notwithstanding KRS 157.420(2), included in the above General Fund appropriation is \$1,852,856,400 in fiscal year 2010-2011 and \$2,034,512,800 in fiscal year 2011-2012 for the base SEEK Program as defined by KRS 157.360. Included in the above Federal Funds appropriation is \$182,486,200 in Federal State Fiscal Stabilization Fund moneys in fiscal year 2010-2011 for the base SEEK Program as defined by KRS 157.360. Funds appropriated to the SEEK Program shall be allotted to school districts in accordance with KRS 157.310 to 157.440, except that the total of the funds allotted shall not exceed the appropriations for this purpose except as provided in this Act. Notwithstanding KRS 157.360(2)(c), included in the appropriation for the base SEEK Program is \$214,752,800 in each fiscal year for pupil transportation.

(3) Tier I Component: Included in the above General Fund appropriation is \$173,576,400 in fiscal year 2010-2011 and \$168,251,400 in fiscal year 2011-2012 for the Tier I component as established by KRS 157.440.

(4) Vocational Transportation: Included in the above General Fund

1 appropriation is \$2,416,900 in each fiscal year for vocational transportation.

2 **(5) Secondary Vocational Education:** Included in the above General Fund
3 appropriation is \$23,289,000 in each fiscal year to provide secondary vocational
4 education in state-operated vocational schools.

5 **(6) Teachers' Retirement System Employer Match:** Included in the above
6 General Fund appropriation is \$349,899,700 in fiscal year 2010-2011 and \$347,017,500
7 in fiscal year 2011-2012 to enable local school districts to provide the employer match for
8 qualified employees as provided for by KRS 161.550.

9 **(7) Salary Supplements for Nationally Certified Teachers:** Notwithstanding
10 KRS 157.395, included in the above General Fund appropriation is \$2,750,000 in each
11 fiscal year for the purpose of providing salary supplements for public school teachers who
12 have attained certification from the National Board for Professional Teaching Standards
13 as of July 14, 2000, or thereafter. Notwithstanding KRS 157.395, if the appropriation is
14 insufficient to provide the mandated salary supplement for public school teachers who
15 have attained certification, the Kentucky Department of Education is authorized to pro
16 rata reduce the supplement.

17 **(8) Allocation of SEEK Funds:** Notwithstanding KRS 157.360(2)(c), the above
18 General Fund and Federal Funds appropriations to the base SEEK Program are intended
19 to provide a base guarantee of \$3,868 per student in average daily attendance in fiscal
20 year 2010-2011 and \$3,903 per student in average daily attendance in fiscal year 2011-
21 2012 as well as to meet the other requirements of KRS 157.360.

22 Funds appropriated to the SEEK Program shall be allotted to school districts in
23 accordance with KRS 157.310 to 157.440, except that the total of the funds allotted shall
24 not exceed the appropriations for this purpose, except as provided in this Act. The total
25 appropriation for the SEEK Program shall be measured by, or construed as, estimates of
26 the state expenditures required by KRS 157.310 to 157.440. If the required expenditures
27 exceed these estimates, the Secretary of the Finance and Administration Cabinet, upon

1 the written request of the Commissioner of Education and with the approval of the
2 Governor, may increase the appropriation by such amount as may be available and
3 necessary to meet, to the extent possible, the required expenditures under the cited
4 sections of the Kentucky Revised Statutes, but any increase of the total appropriation to
5 the SEEK Program is subject to Part III, General Provisions, of this Act and the
6 provisions of KRS Chapter 48.

7 **(9) Final SEEK Calculation:** Notwithstanding KRS 157.410, on or before
8 March 1 of each year, the Commissioner of Education shall determine the exact amount
9 of the public common school fund to which each district is entitled, and the remainder of
10 the amount due each district for the year shall be distributed in equal installments
11 beginning the first month after completion of final calculation and for each successive
12 month thereafter.

13 **(10) SEEK Adjustment Factors:** Funds allocated for the SEEK base and its
14 adjustment factors that are not needed for the base or a particular adjustment factor may
15 be allocated to other adjustment factors, if funds for that adjustment factor are not
16 sufficient.

17 **(11) Facilities Support Program of Kentucky/Equalized Nickel Levies:**
18 Included in the above General Fund appropriation is \$76,922,100 in fiscal year 2010-
19 2011 and \$73,515,300 in fiscal year 2011-2012 to provide facilities equalization funding
20 pursuant to KRS 157.440 and 157.620.

21 **(12) Growth Levy Equalization Funding:** Included in the above General Fund
22 appropriation is \$14,442,700 in fiscal year 2010-2011 and \$13,291,300 in fiscal year
23 2011-2012 to provide facilities equalization funding pursuant to KRS 157.440 and
24 157.620, for districts meeting the eligibility requirements of KRS 157.621(1) and (4).

25 **(13) Retroactive Equalized Facility Funding:** Included in the above General
26 Fund appropriation is \$8,176,300 in fiscal year 2010-2011 and \$8,203,400 in fiscal year
27 2011-2012 to provide equalized facility funding pursuant to KRS 157.440 and 157.620 to

districts meeting the eligibility requirements of KRS 157.621(2) and (4) notwithstanding the April 24, 2008, deadline. This appropriation applies to school districts that levied the tax rate subject to recall prior to January 1, 2010. For the 2010-2012 fiscal biennium, equalization shall be provided to a local school district that levies a tax pursuant to KRS 157.621(1)(c) in fiscal year 2010-2011 at 25 percent of the calculated equalization funding in fiscal year 2011-2012. It is the intent of the 2010 General Assembly that any school district receiving partial equalization under this subsection in the 2010-2012 fiscal biennium shall receive full calculated equalization in the 2012-2014 fiscal biennium and thereafter.

(14) Equalized Facility Funding: Included in the above General Fund appropriation is \$6,448,200 in fiscal year 2010-2011 and \$6,166,400 in fiscal year 2011-2012 to provide equalized facility funding pursuant to KRS 157.420 and 157.620 to districts meeting the eligibility requirements of KRS 157.621(3) and (4).

(15) Instructional Days: Notwithstanding KRS 158.070, the school term for fiscal year 2010-2011 and fiscal year 2011-2012 shall include the equivalent of 177 six-hour instructional days. Districts may exceed 177 six-hour instructional days. Included in the above General Fund appropriation are sufficient funds for 176 six-hour instructional days.

(16) Use of Excess SEEK Funds: Notwithstanding 2009 (1st Extra. Sess.) Ky. Acts ch. 2, Section 6, (18), any unexpended SEEK appropriations for fiscal year 2009-2010 as determined on or before March 1, 2010, by the Kentucky Department of Education shall lapse to the General Fund.

(17) Use of SEEK Funds: To receive funds under the SEEK program, district number 301 shall maintain operation of school number 170 during the time this budget is in effect.

(18) Equalization Funding for Category 5 Schools: (a) Included in the above General Fund appropriation is \$5,958,300 in fiscal year 2011-2012 to provide equalization funding for school districts that: 1. Have school facilities classified as

1 Category 5 on May 18, 2010, by the Department of Education; and 2. Levy an additional
2 five cents equivalent tax rate for debt service, new construction, and major renovation
3 beyond the five cents equivalent tax rate required by KRS 157.440(1)(b), except as
4 provided in paragraph (c) of this subsection. Equalization shall be provided at 150 percent
5 of the statewide average per pupil assessment beginning in the fiscal year following the
6 fiscal year in which the levy is imposed. This levy shall be subject to the recall provisions
7 of KRS 132.017.

8 (b) If the total revenue generated in the 2010-2012 fiscal biennium by the
9 additional five cents equivalent tax levy, the equalization funds, and any escrowed or
10 additional offers of assistance from the School Facilities Construction Commission is
11 insufficient to cash fund the project or to sufficiently support the required annual debt
12 service for the entirety of the capital project, the school district shall be awarded
13 additional funds equal to the amount of annual debt service necessary to complete the
14 project in its entirety. Any funds included in paragraph (a) of this subsection not
15 necessary to provide equalization in fiscal year 2011-2012 shall be used for this purpose.
16 If the total funds appropriated in paragraph (a) of this subsection are insufficient, the
17 School Facilities Construction Commission is authorized to make an additional offer of
18 assistance in an amount needed to fully fund this subsection.

19 (c) School districts that have previously levied a five cents equivalent tax rate for
20 debt service, new construction, and major renovation beyond the rate required by KRS
21 157.440(1)(b) shall not be required to levy an additional tax to receive the equalization
22 funds appropriated in paragraph (a) of this subsection and needed to complete a project in
23 its entirety. A school district that has previously levied a five cent equivalent tax rate
24 under KRS 157.621(1) shall receive the equalization funds appropriated in paragraph (a)
25 of this subsection.

26 (d) If the school district utilizes the equalization funds appropriated in paragraph
27 (a) of this subsection to support a bond issue for construction purposes, equalization

1 funds shall be provided for 20 years or until the bonds are retired, whichever is less.

2 (e) The Department of Education, School Facilities Construction Commission,
3 and local boards of education involved in financing local school facilities construction
4 projects under this subsection shall, to the extent possible, maximize the use of federal
5 Build America Bonds, Qualified School Construction Bonds, Qualified Zone Academy
6 Bonds, or any other federal financing or bond programs for which a project may qualify if
7 use of the program or programs will reduce the overall cost of the project or financing of
8 the project.

9 (f) In the event that a school district receives funding pursuant to this subsection
10 to support construction of a new school facility and subsequently, as the result of
11 litigation, receives funding for the same facility for which state funds were provided, that
12 school district shall reimburse the Commonwealth an amount equal to that provided
13 under paragraph (a) of this subsection. Any funds received in this manner shall be
14 deposited in the Budget Reserve Trust Fund Account (KRS 48.705).

15 **TOTAL - DEPARTMENT OF EDUCATION**

16		2010-11	2011-12
17	General Fund (Tobacco)	2,150,000	2,050,000
18	General Fund	3,657,868,800	3,822,871,900
19	Restricted Funds	5,601,400	5,632,400
20	Federal Funds	1,214,581,300	848,353,400
21	TOTAL	4,880,201,500	4,678,907,700

22 **D. EDUCATION AND WORKFORCE DEVELOPMENT CABINET**

23 **Budget Units**

24 **1. GENERAL ADMINISTRATION AND PROGRAM SUPPORT**

25		2010-11	2011-12
26	General Fund	4,418,000	4,373,800
27	Restricted Funds	4,943,500	4,943,500

1	Federal Funds	147,600	147,600
2	TOTAL	9,509,100	9,464,900

3 **(1) Governor's Scholars Program:** Included in the above General Fund
4 appropriation is \$1,970,000 in fiscal year 2010-2011 and \$1,950,300 in fiscal year 2011-
5 2012 for the Governor's Scholars Program.

6 **2. DEAF AND HARD OF HEARING**

7		2010-11	2011-12
8	General Fund	798,700	790,700
9	Restricted Funds	817,900	831,400
10	TOTAL	1,616,600	1,622,100

11 **3. KENTUCKY EDUCATIONAL TELEVISION**

12		2010-11	2011-12
13	General Fund	12,228,000	12,105,800
14	Restricted Funds	1,151,000	1,151,000
15	Federal Funds	700,000	700,000
16	TOTAL	14,079,000	13,956,800

17 **4. ENVIRONMENTAL EDUCATION COUNCIL**

18		2010-11	2011-12
19	Restricted Funds	319,500	326,100
20	Federal Funds	90,400	33,900
21	TOTAL	409,900	360,000

22 **5. LIBRARIES AND ARCHIVES**

23 **a. General Operations**

24		2010-11	2011-12
25	General Fund	5,826,000	5,767,800
26	Restricted Funds	1,427,500	1,427,500
27	Federal Funds	2,165,300	2,165,300

1	TOTAL	9,418,800	9,360,600
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2 **(1) Local Records Grant Program:** Notwithstanding KRS 142.010(5), included
3 in the above General Fund appropriation are amounts for the Local Records Grant
4 program.

5 **(2) Collaboration with Public Entities:** The Department of Libraries and
6 Archives shall collaborate with Kentucky's public colleges, universities, and libraries to
7 explore alternatives to meet the archival needs of the Commonwealth.

8 **b. Direct Local Aid**

9		2010-11	2011-12
10	General Fund	5,590,900	5,535,000
11	Restricted Funds	895,700	895,700
12	Federal Funds	724,000	724,000
13	TOTAL	7,210,600	7,154,700

14 **(1) Per Capita Grants:** Notwithstanding KRS 171.201(2)(b), the department
15 shall distribute the per capita grants within the available appropriated amounts.

16 TOTAL - LIBRARIES AND ARCHIVES

17		2010-11	2011-12
18	General Fund	11,416,900	11,302,800
19	Restricted Funds	2,323,200	2,323,200
20	Federal Funds	2,889,300	2,889,300
21	TOTAL	16,629,400	16,515,300

22 6. **OFFICE FOR THE BLIND**

23		2010-11	2011-12
24	General Fund	1,189,700	1,177,800
25	Restricted Funds	2,577,800	2,577,800
26	Federal Funds	10,518,600	10,855,600
27	TOTAL	14,286,100	14,611,200

1 **7. EMPLOYMENT AND TRAINING**

2		2010-11	2011-12
3	General Fund	1,710,000	-0-
4	Restricted Funds	2,368,800	2,368,800
5	Federal Funds	2,390,538,900	2,393,219,700
6	TOTAL	2,394,617,700	2,395,588,500

7 **(1) Unemployment Insurance Penalty and Interest Account:** Notwithstanding
8 KRS 341.835, upon approval by the Office of State Budget Director, up to \$3,000,000
9 from the Unemployment Insurance Penalty and Interest Account in the Unemployment
10 Compensation Administration Fund may be used during each fiscal year by the Office of
11 Employment and Training to operate employment training and unemployment insurance
12 programs and up to \$750,000 may be transferred in each fiscal year to the General
13 Administration and Program Support budget unit in the Education and Workforce
14 Development Cabinet to aid in the support of the Office of Employment and Training
15 programs.

16 **(2) Total Unemployment Rate:** (a) Notwithstanding KRS 341.094(2), there is a
17 "state 'on' indicator" for this state with respect to weeks of unemployment until the week
18 ending four weeks prior to the last week of unemployment for which 100 percent federal
19 sharing is available under Section 2005(a) of Public Law 111-5, or a similar provision is
20 in effect, without regard to the extension of federal sharing for certain claims as provided
21 under Section 2005(c) of Public Law 111-5 if:

22 1. The average rate of total unemployment (seasonally adjusted), as determined
23 by the United States Secretary of Labor, for the period consisting of the most recent three
24 months for which data for all states are published before the close of such week equals or
25 exceeds six and one-half percent; and

26 2. The average rate of total unemployment in this state (seasonally adjusted), as
27 determined by the United States Secretary of Labor, for the three-month period referred to

1 in subparagraph 1. of this paragraph equals or exceeds 110 percent of such average for
 2 either or both of the corresponding three-month periods ending in the preceding two
 3 calendar years.

4 There is a "state 'off' indicator" for a week if the requirements are not satisfied.

5 (b) Notwithstanding KRS 341.730, effective for weeks beginning in a high
 6 unemployment period, the total extended benefit amount payable to any eligible worker
 7 with respect to his or her applicable benefit year shall be the least of the following
 8 amounts:

9 1. Eighty percent of the maximum amount of regular benefits which were
 10 payable to him or her under KRS Chapter 341 in his or her applicable benefit year; or

11 2. Twenty times the weekly benefit rate which was payable to him or her under
 12 KRS Chapter 341 for a week of total unemployment in the applicable benefit year. As
 13 used in this subparagraph, "high unemployment period" means any period during which
 14 an extended benefit period would be in effect if paragraph (a) of this subsection were
 15 applied by substituting eight percent for six and one-half percent.

16 (c) Notwithstanding KRS 341.096(1)(a), 20 C.F.R. sec. 615.12(c)(1) shall be the
 17 numerator for calculating the rate of insured unemployment.

18 (3) **WorkNow KY:** Included in the above General Fund appropriation is
 19 \$1,710,000 in fiscal year 2010-2011 to provide matching funds for the WorkNow KY
 20 program. This program provides subsidized employment for any youth or adult that is
 21 Temporary Assistance for Needy Families (TANF) eligible.

22 **8. CAREER AND TECHNICAL EDUCATION**

23		2010-11	2011-12
24	General Fund	25,968,800	25,709,100
25	Restricted Funds	21,620,000	22,708,400
26	Federal Funds	15,153,900	15,153,900
27	TOTAL	62,742,700	63,571,400

1 **(1) Participation in the Education Technology Program by Area Vocational**
 2 **Education Centers:** Area Vocational Education Centers shall be fully eligible to
 3 participate in the Kentucky Education Technology System. Notwithstanding KRS
 4 157.650, 157.655, 157.660, and 157.665, the School Facilities Construction Commission,
 5 in consultation with the Kentucky Board of Education and the Department of Education,
 6 shall develop administrative regulations which identify a methodology by which the
 7 average daily attendance for Area Vocational Education Centers may be equated to the
 8 average daily attendance of other local school districts in order that they may receive their
 9 respective distributions of these funds. The School Facilities Construction Commission
 10 shall include Area Vocational Education Centers in any offers of assistance to local
 11 school districts for technology assistance during the 2010-2012 fiscal biennium.

12 **(2) Transfer of State-Operated Secondary Vocational Education and**
 13 **Technology Centers:** (a) Notwithstanding KRS 151B.035, 151B.040, 151B.045,
 14 151B.050, 151B.055, and 151B.070, effective at the beginning of fiscal year 2010-2011,
 15 a local board of education may submit a request to the Executive Director of the Office of
 16 Career and Technical Education to assume authority for the management and control of a
 17 state-operated secondary vocational education and technology center. Upon agreement
 18 between the Executive Director of the Office of Career and Technical Education and the
 19 local board of education for the transfer of a state-operated secondary vocational
 20 education and technology center, all personnel, equipment, and supplies shall be
 21 transferred to the local board of education and shall only be utilized for the operation of
 22 the locally operated vocational center. The transfer of management and control of the
 23 secondary area vocational education and technology center shall be considered a
 24 permanent transfer to the local district.

25 (b) A certified employee who is affected by a transfer to the local board of
 26 education under paragraph (a) of this subsection shall be granted a one year limited
 27 contract by the local board of education and shall be employed on the local district salary

1 schedule. A classified employee shall be guaranteed employment equal to his or her
2 present status for at least one complete school term. A transferred employee shall be
3 provided the benefits of comparable employees in the district and shall be subject to all
4 rules and policies of the local board of education, including but not limited to disciplinary
5 and personnel actions that are the same as those that may be exercised by the district for
6 any other employee in the district during a contract period.

7 (c) A transferred employee who has accrued annual leave and compensatory time
8 shall be paid a lump sum for the accrued time at the effective date of the transfer by the
9 Office of Career and Technical Education. The employee shall be granted credit for
10 accrued sick leave up to the maximum allowed for transfers for teachers between school
11 districts. Sick leave credit shall be awarded to a classified employee based on the local
12 board policy. Any excess sick leave that a classified or certified employee has earned that
13 the district will not accept in the transfer may be requested to be held in escrow by the
14 appropriate state personnel system under KRS Chapter 18A or 151B, and the sick leave
15 balance shall be restored to the employee if the employee returns to a state government
16 position.

17 (d) An employee who is to be transferred to a local board of education under
18 provisions of this subsection but who chooses not to accept a one year limited contract
19 with the board shall be separated from the state system and the employee's position shall
20 be abolished. The employee may apply for any state position for which the employee is
21 qualified but shall not be granted priority over other applicants for a position because the
22 employee's position was abolished due to a transfer of the vocational education and
23 technology center. An employee who refuses a contract with the local board shall be
24 provided a lump-sum payment for accrued annual leave and compensatory time, and the
25 employee's sick leave balance shall be placed in escrow by the appropriate state personnel
26 system under KRS Chapter 18A or 151B. The sick leave balance shall be restored to the
27 employee if the employee returns to a state government position.

(e) A certified employee, other than a principal, who has earned continuing status in the state certified personnel system under KRS Chapter 151B may be granted tenure under the provisions of KRS 161.740(1)(c). A principal may be granted tenure as a teacher, but the provisions relating to demotion of the principal under KRS 161.765 shall apply.

(f) An employee of the Office of Career and Technical Education who is transferred to the local school district and who occupies a position covered by the Kentucky Teachers' Retirement System shall remain in the Teachers' Retirement System.

(g) General Fund moneys previously appropriated to the Office of Career and Technical Education for support of the transferred state-operated vocational technical school shall be appropriated to the Kentucky Department of Education for support of the local board of education center operations effective at the beginning of fiscal year 2010-2011. In addition, the local board of education shall receive 100 percent of the Support Education Excellence in Kentucky (SEEK) Program funds from the Kentucky Department of Education that are generated from students enrolled in the center.

9. VOCATIONAL REHABILITATION

	2010-11	2011-12
General Fund	11,663,800	11,547,200
Restricted Funds	3,507,100	3,506,900
Federal Funds	48,618,300	48,969,400
TOTAL	63,789,200	64,023,500

(1) Interpreter Services: Included in the above General Fund appropriation is \$450,000 in each fiscal year to provide accessibility services for deaf and hard of hearing students in postsecondary education institutions.

10. EDUCATION PROFESSIONAL STANDARDS BOARD

	2010-11	2011-12
General Fund	7,683,700	7,606,900

1	Restricted Funds	870,500	870,500
2	Federal Funds	304,200	308,300
3	TOTAL	8,858,400	8,785,700

4 **(1) Employment of Leadership Personnel:** Notwithstanding KRS 18A.005 to
5 18A.200, the Education Professional Standards Board shall have the sole authority to
6 determine the employees of the Education Professional Standards Board staff who are
7 exempt from the classified service and to set their compensation comparable to the
8 competitive market.

9 **(2) Kentucky Teacher Internship Program:** Notwithstanding KRS 161.030(7),
10 the Education Professional Standards Board shall set the minimum number of hours for
11 the activities set forth in KRS 161.030(7), subject to the availability of appropriations.

12 **(3) Kentucky Principal Internship Program:** Notwithstanding KRS 161.027,
13 no funds are provided in the above appropriations for the operational costs of the
14 Kentucky Principal Internship Program.

15 **(4) Teacher Certification:** Notwithstanding KRS 161.020 to 161.120, the
16 Education Professional Standards Board shall extend by two years the length of time
17 required for certified teachers to complete a planned fifth year program.

18 **TOTAL - EDUCATION AND WORKFORCE DEVELOPMENT CABINET**

19		2010-11	2011-12
20	General Fund	77,077,600	74,614,100
21	Restricted Funds	40,499,300	41,607,600
22	Federal Funds	2,468,961,200	2,472,277,700
23	Road Fund	-0-	-0-
24	TOTAL	2,586,538,100	2,588,499,400

25 **E. ENERGY AND ENVIRONMENT CABINET**

26 **Budget Units**

27 **1. SECRETARY**

1		2010-11	2011-12
2	General Fund	3,462,500	4,154,400
3	Restricted Funds	453,500	467,700
4	Federal Funds	978,200	1,015,500
5	TOTAL	4,894,200	5,637,600

6 **(1) Debt Service:** Included in the above General Fund appropriation is \$726,500
7 in fiscal year 2011-2012 for new debt service to support new bonds as set forth in Part II,
8 Capital Projects Budget, of this Act.

9 **2. ENVIRONMENTAL PROTECTION**

10		2010-11	2011-12
11	General Fund	23,448,300	27,182,800
12	Restricted Funds	64,571,200	65,221,300
13	Federal Funds	23,955,000	23,923,000
14	Road Fund	300,000	300,000
15	TOTAL	112,274,500	116,627,100

16 **(1) Municipal Solid Waste Landfill Inspectors:** Notwithstanding KRS 224.43-
17 320, no funds are provided in the above appropriations for the assignment of full-time
18 inspectors to each municipal solid waste landfill operating in the Commonwealth.

19 **(2) Debt Service:** Included in the above General Fund appropriation is
20 \$1,951,000 in fiscal year 2010-2011 and \$5,900,500 in fiscal year 2011-2012 for new
21 debt service to support new bonds as set forth in Part II, Capital Projects Budget, of this
22 Act.

23 **(3) Waste Tire Trust Fund:** Notwithstanding KRS 224.50-868(1), the new tire
24 fee shall continue to be collected until June 30, 2012, to continue the waste tire program
25 authorized by KRS 224.50-850 to 224.50-880. Notwithstanding KRS 224.50-880, the
26 Energy and Environment Cabinet shall utilize no more than 25 percent of the funds
27 collected for administration. All other funds shall be utilized, in accordance with the

above referenced statutes, for waste tire amnesty programs, crumb rubber grants, tire-derived fuel programs, and other projects that will manage waste tires as appropriate to protect human health, safety, and the environment, or to develop markets for waste tires.

(4) Kentucky Pride Program: Included in the above Restricted Funds appropriation is \$14,750,000 in each fiscal year for the Kentucky Pride Program.

3. NATURAL RESOURCES

	2010-11	2011-12
General Fund (Tobacco)	9,000,000	6,000,000
General Fund	34,177,800	33,836,000
Restricted Funds	19,004,200	19,291,900
Federal Funds	54,623,500	54,803,700
TOTAL	116,805,500	113,931,600

(1) Emergency Forest Fire Suppression: Not less than \$240,000 of the above General Fund appropriation for each fiscal year shall be set aside for emergency forest fire suppression. There is appropriated from the General Fund the necessary funds, subject to the conditions and procedures provided in this Act, which are required as a result of emergency fire suppression activities in excess of \$240,000. Fire suppression costs in excess of \$240,000 annually shall be deemed necessary government expenses and shall be paid from the General Fund Surplus Account (KRS 48.700) or the Budget Reserve Trust Fund Account (KRS 48.705).

(2) Mine Safety: Included in the above General Fund appropriation is \$4,300,000 in fiscal year 2010-2011 and \$4,400,000 in fiscal year 2011-2012 for the Office of Mine Safety and Licensing, Natural Resources budget unit.

(3) Conservation Districts: Included in the above General Fund appropriation is \$950,000 in each fiscal year for the Division of Conservation to provide direct aid to local conservation districts.

(4) Forestry Tree Nurseries: Included in the above Restricted Funds

appropriation is \$250,000 in each fiscal year for the Department for Natural Resources' tree nursery programs in Morgan County and Marshall County.

4. ENERGY DEVELOPMENT AND INDEPENDENCE

	2010-11	2011-12
General Fund	1,462,600	1,448,000
Restricted Funds	4,066,500	3,958,800
Federal Funds	36,598,600	4,936,000
TOTAL	42,127,700	10,342,800

(1) Energy Research and Development: (a) Notwithstanding KRS 42.4588, included in the above Restricted Funds appropriation is \$3,500,000 in fiscal year 2010-2011 and \$3,500,000 in fiscal year 2011-2012 which shall be used, except as specified in paragraph (b) of this subsection, for research projects relating to clean coal, new combustion technology, thin-seam coal extraction, safety, tracking and communication devices, coal slurry disposal, synthetic natural gas produced from coal through gasification processes, and the development of alternative transportation fuels produced by processes that convert coal or biomass resources or extract oil from oil shale, and other coal research and shall be targeted solely to Kentucky's Local Government Economic Development Fund-eligible counties. The Department for Energy Development and Independence shall coordinate its efforts with those of Kentucky's universities and related Kentucky Community and Technical College System programs in order to maximize Kentucky's opportunities for federal funding and receive research grants and awards from federal and other sources of funding for the development of clean coal technology, coal-to-liquid-fuel conversion, alternate transportation fuels, and biomass energy resources.

(b) Included in the Restricted Funds appropriation in paragraph (a) of this subsection is \$1,000,000 in fiscal year 2010-2011 and \$1,000,000 in fiscal year 2011-2012 which shall not be expended unless matched with federal or private funds for the purpose of supporting research and development activities at the University of Kentucky

Center for Applied Energy Research.

5. ENVIRONMENTAL QUALITY COMMISSION

	2010-11	2011-12
Restricted Funds	257,400	263,600

6. KENTUCKY NATURE PRESERVES COMMISSION

	2010-11	2011-12
General Fund	1,041,300	1,030,900
Restricted Funds	242,000	241,900
Federal Funds	43,000	43,000
TOTAL	1,326,300	1,315,800

7. PUBLIC SERVICE COMMISSION

	2010-11	2011-12
General Fund	13,000,000	13,000,000
Restricted Funds	211,000	211,000
Federal Funds	218,300	218,300
TOTAL	13,429,300	13,429,300

(1) Debt Service: Included in the above General Fund appropriation is \$589,000 in fiscal year 2010-2011 and \$589,000 in fiscal year 2011-2012 for debt service for previously issued bonds.

(2) Lapse of General Fund Appropriation Balance: Notwithstanding KRS 278.150(3), \$3,629,700 in fiscal year 2010-2011 and \$3,718,700 in fiscal year 2011-2012 shall lapse to the credit of the General Fund.

(3) Telecommunication Access Program: Notwithstanding KRS 278.5499, the funding mechanism for the telecommunication device for the deaf distribution program shall allocate not more than two cents per access line per month.

(4) Small Utilities Assistance: Included in the above General Fund appropriation is \$400,000 in fiscal year 2010-2011 and \$400,000 in fiscal year 2011-2012 for small

1 utilities assistance.

2 **(5) Water Districts and Water Associations:** A water district created pursuant
 3 to KRS Chapter 74 and a water association formed under KRS Chapter 273 that
 4 undertakes a waterline extension or improvement project shall not be required to obtain a
 5 certificate of public convenience and necessity, notwithstanding KRS 278.020(1), if the
 6 water district or water association is a Class A or B utility as defined in the Uniform
 7 System of Accounts established by the Public Service Commission, pursuant to KRS
 8 278.220, as the system of accounts prescribed for utilities in Kentucky, and either: (a) The
 9 water line extension or improvement project will not cost in excess of \$500,000; or (b)
 10 The water district or water association will not, as a result of the water line extension or
 11 improvement project, incur obligations requiring Public Service Commission approval
 12 pursuant to KRS 278.300. In either case, the water district or water association shall not,
 13 as a result of the water line extension or improvement project, increase rates to its
 14 customers.

15 **TOTAL - ENERGY AND ENVIRONMENT CABINET**

16		2010-11	2011-12
17	General Fund (Tobacco)	9,000,000	6,000,000
18	General Fund	76,592,500	80,652,100
19	Restricted Funds	88,805,800	89,656,200
20	Federal Funds	116,416,600	84,939,500
21	Road Fund	300,000	300,000
22	TOTAL	291,114,900	261,547,800

23 **F. FINANCE AND ADMINISTRATION CABINET**

24 **Budget Units**

25 **1. GENERAL ADMINISTRATION**

26		2010-11	2011-12
27	General Fund	7,126,900	7,055,600

1	Restricted Funds	30,757,800	30,794,100
2	Federal Funds	31,640,900	30,534,500
3	Road Fund	400,000	400,000
4	TOTAL	69,925,600	68,784,200

5 **(1) State Motor Vehicle Fleet:** The Secretary of the Finance and Administration
6 Cabinet shall restrict permanently assigned vehicles to only Constitutional Officers, the
7 Court of Justice, Executive Cabinet Secretaries, law enforcement, or for other public
8 safety purposes. A report listing the recipients of permanently assigned vehicles from the
9 State Motor Vehicle Fleet shall be submitted to the Interim Joint Committee on
10 Appropriations and Revenue by August 1 of each fiscal year.

11 **(2) Gubernatorial Transition:** Should there be a new Governor-elect, then
12 pursuant to KRS 11.260, the Finance and Administration Cabinet shall bear all necessary
13 expenses for carrying out the purposes of KRS 11.210 to 11.260. Up to \$220,000 of these
14 necessary expenses shall be deemed a necessary government expense and shall be paid
15 from the General Fund Surplus Account (KRS 48.700) or the Budget Reserve Trust Fund
16 Account (KRS 48.705).

17 **2. CONTROLLER**

18		2010-11	2011-12
19	General Fund	5,929,200	5,869,900
20	Restricted Funds	8,038,400	8,106,100
21	TOTAL	13,967,600	13,976,000

22 **(1) Social Security Contingent Liability Fund:** Any expenditures that may be
23 required by KRS 61.470 are hereby deemed necessary government expenses and shall be
24 paid first from the General Fund Surplus Account (KRS 48.700), if available, or from any
25 available balance in the Budget Reserve Trust Fund Account (KRS 48.705), subject to the
26 conditions and procedures provided in this Act.

27 **3. DEBT SERVICE**

1		2010-11	2011-12
2	General Fund (Tobacco)	18,746,600	30,275,700
3	General Fund	311,487,400	271,087,500
4	TOTAL	330,234,000	301,363,200

5 **(1) General Fund (Tobacco) Debt Service Lapse:** Notwithstanding the
6 provisions of Part X, (4) of this Act, \$3,008,100 in fiscal year 2010-2011 and \$2,994,800
7 in fiscal year 2011-2012 shall lapse and not continue forward to the next fiscal year.

8 **4. FACILITIES AND SUPPORT SERVICES**

9		2010-11	2011-12
10	General Fund	5,713,200	6,246,900
11	Restricted Funds	36,139,700	37,418,700
12	Federal Funds	513,500	324,000
13	TOTAL	42,366,400	43,989,600

14 **(1) Debt Service:** Included in the above General Fund appropriation is \$333,500
15 in fiscal year 2010-2011 and \$920,000 in fiscal year 2011-2012 for new debt service to
16 support new bonds as set forth in Part II, Capital Projects Budget, of this Act.

17 **5. COUNTY COSTS**

18		2010-11	2011-12
19	General Fund	16,825,200	16,739,800
20	Restricted Funds	1,702,500	1,702,500
21	TOTAL	18,527,700	18,442,300

22 **(1) County Costs:** Funds required to pay county costs are appropriated and
23 additional funds may be allotted from the General Fund Surplus Account (KRS 48.700)
24 or the Budget Reserve Trust Fund Account (KRS 48.705) by the Secretary of the Finance
25 and Administration Cabinet, subject to the conditions and procedures provided in this
26 Act.

27 **6. COMMONWEALTH OFFICE OF TECHNOLOGY**

1		2010-11	2011-12
2	Restricted Funds	64,279,000	65,318,100
3	Federal Funds	50,000	50,000
4	TOTAL	64,329,000	65,368,100

5 **(1) Computer Services Fund Receipts:** The Secretary of the Finance and
6 Administration Cabinet shall provide a listing of fee receipts from the Executive, Judicial,
7 and Legislative Branches of government itemized by appropriation units, cost allocation
8 methodology, and a report detailing the rebate of excess fee receipts to the agencies to the
9 Interim Joint Committee on Appropriations and Revenue by August 1 of each fiscal year.

10 **7. REVENUE**

11		2010-11	2011-12
12	General Fund (Tobacco)	275,000	275,000
13	General Fund	74,716,800	73,737,800
14	Restricted Funds	6,108,600	6,251,500
15	Road Fund	2,325,000	2,325,000
16	TOTAL	83,425,400	82,589,300

17 **(1) Insurance Surcharge Rate:** Pursuant to KRS 136.392, the insurance
18 surcharge rate shall be calculated at a rate to provide sufficient funds in the 2010-2012
19 fiscal biennium for the Firefighters Foundation Program Fund and the Kentucky Law
20 Enforcement Foundation Program Fund. The calculation of sufficient funds for the
21 above-named programs shall include any Restricted Funds carried forward from fiscal
22 years 2009-2010 and 2010-2011 as provided by the General Assembly in this Act.

23 **(2) Road Fund Compliance and Motor Vehicle Property Tax Programs:** The
24 above Road Fund appropriation in each fiscal year represents the cost of the Road Fund
25 Compliance and Motor Vehicle Property Tax Programs within the Department of
26 Revenue and is to be used exclusively for that purpose.

27 **(3) Operations of Revenue:** Notwithstanding KRS 132.672, 136.652, 160.6154,

and 365.390(2), funds may be expended in support of the operations of the Department of Revenue.

(4) Debt Service: Included in the above General Fund appropriation is \$651,000 in fiscal year 2011-2012 for new debt service to support new bonds as set forth in Part II, Capital Projects Budget, of this Act.

8. PROPERTY VALUATION ADMINISTRATORS

	2010-11	2011-12
General Fund	34,972,600	34,622,800
Restricted Funds	3,701,300	3,701,300
TOTAL	38,673,900	38,324,100

(1) Management of Expenditures: Notwithstanding KRS 132.590 and 132.597, the property valuation administrators are authorized to take necessary actions to manage expenditures within the appropriated amounts contained in this Act.

TOTAL - FINANCE AND ADMINISTRATION CABINET

	2010-11	2011-12
General Fund (Tobacco)	19,021,600	30,550,700
General Fund	456,771,300	415,360,300
Restricted Funds	150,727,300	153,292,300
Federal Funds	32,204,400	30,908,500
Road Fund	2,725,000	2,725,000
TOTAL	661,449,600	632,836,800

G. HEALTH AND FAMILY SERVICES CABINET

Budget Units

1. GENERAL ADMINISTRATION AND PROGRAM SUPPORT

	2010-11	2011-12
General Fund	34,505,000	34,159,900
Restricted Funds	9,221,600	9,683,800

1	Federal Funds	35,807,300	37,199,200
2	TOTAL	79,533,900	81,042,900

3 **(1) Human Services Transportation Delivery:** Notwithstanding KRS 281.014,
 4 the Kentucky Works Program shall not participate in the Human Services Transportation
 5 Delivery Program or the Coordinated Transportation Advisory Committee.

6 **(2) Debt Service:** Included in the above General Fund appropriation is \$139,000
 7 in fiscal year 2010-2011 and \$406,500 in fiscal year 2011-2012 for new debt service to
 8 support new bonds as set forth in Part II, Capital Projects Budget, of this Act.

9 **(3) Transfer of Funds Between Appropriation Units of the Cabinet:** The
 10 Secretary of the Cabinet for Health and Family Services may, with the prior approval of
 11 the State Budget Director and prior notice to the Interim Joint Committee on
 12 Appropriations and Revenue, transfer General Fund moneys appropriated in this Act from
 13 one appropriation unit within the cabinet to another Cabinet for Health and Family
 14 Services unit to address projected funding shortfalls and for other program reasons in the
 15 best interest of the citizens of the Commonwealth.

16 **(4) Federally Funded Positions:** Notwithstanding KRS 18A.010(2) and any
 17 provisions of this Act to the contrary, direct service units of the Office of Inspector
 18 General, Department for Income Support, Commission for Children with Special Health
 19 Care Needs, Department for Community Based Services, Department for Medicaid
 20 Services, Department for Behavioral Health, Developmental and Intellectual Disabilities,
 21 and the Department for Public Health shall be authorized to establish and fill such
 22 positions that are 100 percent federally funded for salary and fringe benefits.

23 **2. COMMISSION FOR CHILDREN WITH SPECIAL HEALTH**
 24 **CARE NEEDS**

25		2010-11	2011-12
26	General Fund (Tobacco)	350,000	350,000
27	General Fund	4,984,500	4,934,700

1	Restricted Funds	6,971,900	6,971,900
2	Federal Funds	4,415,400	4,566,100
3	TOTAL	16,721,800	16,822,700

4 **(1) Tobacco Settlement Funds:** Included in the above General Fund (Tobacco)
5 appropriation is \$350,000 for Universal Newborn Hearing Screening and Vision
6 Screening in each fiscal year.

7 **3. MEDICAID SERVICES**

8 **a. Medicaid Administration**

9		2010-11	2011-12
10	General Fund	36,303,100	35,940,100
11	Restricted Funds	24,590,300	14,096,900
12	Federal Funds	62,181,600	51,690,400
13	TOTAL	123,075,000	101,727,400

14 **(1) Transfer of Excess Administrative Funds for Medicaid Benefits:** If any
15 portion of the above General Fund appropriation in either fiscal year is deemed to be in
16 excess of the necessary expenses for administration of the Department, the amount may
17 be used for Medicaid Benefits in accordance with statutes governing the functions and
18 activities of the Department for Medicaid Services. In no instance shall these excess
19 funds be used without prior written approval of the State Budget Director to:

- 20 (a) Establish a new program;
- 21 (b) Expand the services of an existing program; or
- 22 (c) Increase rates or payment levels in an existing program.

23 Any transfer authorized under this subsection shall be approved by the Secretary of
24 the Finance and Administration Cabinet upon recommendation of the State Budget
25 Director.

26 **(2) Medicaid Service Category Expenditure Information:** No Medicaid
27 managed care contract shall be valid and no payment to a Medicaid managed care vendor

1 by the Finance and Administration Cabinet or the Cabinet for Health and Family Services
 2 shall be made, unless the Medicaid managed care contract contains a provision that the
 3 contractor shall collect Medicaid expenditure data by the categories of services paid for
 4 by the Medicaid Program. Actual statewide Medicaid expenditure data by all categories
 5 of Medicaid services, including mandated and optional Medicaid services, special
 6 expenditures/offsets, and Disproportionate Share Hospital payments by type of hospital,
 7 shall be compiled by the Department for Medicaid Services for all Medicaid providers
 8 and forwarded to the Interim Joint Committee on Appropriations and Revenue on a
 9 quarterly basis. Projections of Medicaid expenditures by categories of Medicaid services
 10 shall be provided to the Interim Joint Committee on Appropriations and Revenue upon
 11 request.

12 **b. Medicaid Benefits**

	2010-11	2011-12
14 General Fund	776,598,500	1,435,255,600
15 Restricted Funds	358,478,000	370,376,900
16 Federal Funds	4,363,555,100	4,322,985,400
17 TOTAL	5,498,631,600	6,128,617,900

18 **(1) Supports for Community Living Slots:** Included in the above appropriation
 19 is \$1,896,700 in General Fund moneys and \$5,983,300 in Federal Funds to support 200
 20 additional Supports for Community Living slots in fiscal year 2010-2011 and \$6,774,000
 21 in General Fund moneys and \$16,986,000 in Federal Funds to support 200 additional
 22 Supports for Community Living slots in fiscal year 2011-2012 for a total of 400
 23 additional slots over the 2010-2012 fiscal biennium.

24 Supports for Community Living Waiver funds shall be utilized only for direct
 25 services to qualified Supports for Community Living Waiver recipients.

26 **(2) Carry Forward of General Fund Appropriation Balance:** Notwithstanding
 27 KRS 45.229, any General Fund appropriation unexpended in fiscal year 2010-2011 shall

1 not lapse but shall be carried forward into the next fiscal year.

2 **(3) Disproportionate Share Hospital Program:** Hospitals shall report indigent
3 inpatient and outpatient care for which, under federal law, the hospital is eligible to
4 receive disproportionate share payments. Disproportionate Share Hospital payments shall
5 equal the maximum amounts established by federal law.

6 **(4) Hospital Indigent Patient Billing:** Hospitals shall not bill patients for
7 services if the services have been reported to the Cabinet and the hospital has received
8 disproportionate share payments for the specific services.

9 **(5) Provider Tax Information:** Any provider who posts a sign or includes
10 information on customer receipts or any material distributed for public consumption
11 indicating that it has paid provider tax shall also post, in the same size typeset as the
12 provider tax information, the amount of payment received from the Department for
13 Medicaid Services during the same period the provider tax was paid. Providers who fail
14 to meet this requirement shall be excluded from the Disproportionate Share Hospital and
15 Medicaid Programs. The Cabinet for Health and Family Services shall include this
16 provision in facilities' annual licensure inspections.

17 **(6) Quality and Charity Care Trust Fund:** No hospital shall be reimbursed
18 from both the Quality and Charity Care Trust Fund and the Disproportionate Share
19 Hospital Program for the same service to the same patient. Any hospital that willfully
20 violates this provision shall be subject to a penalty equal to three times the amount of the
21 improper charge to the funds which shall be credited to the General Fund. The Secretary
22 of the Cabinet for Health and Family Services shall have the authority to secure the
23 patient information as needed from the participating facilities in order to determine
24 compliance and enforce this provision. Each facility billing and receiving reimbursements
25 from the Quality and Charity Care Trust Fund shall be required to identify each patient by
26 Social Security number and indicate whether the patient is classified as indigent or
27 medically needy. In any fiscal year for which all the parties to the Quality and Charity

1 Care Trust Agreement so agree, the General Fund appropriation to fulfill the
2 Commonwealth's contractual obligation relating to the Quality and Charity Care Trust
3 Agreement, or any portion thereof, together with any other funds paid to the Quality and
4 Charity Care Trust contractual obligation of the parties, or any portion thereof, shall be
5 transferred to the Department for Medicaid Services as part of its Restricted Funds
6 appropriation for Medicaid Benefits. In any fiscal year for which all the parties to the
7 Quality and Charity Care Trust Agreement do not agree to transfer all or any portion of
8 the Trust's revenues to the Department for Medicaid Services for Medicaid Benefits, the
9 Quality and Charity Care Trust shall operate pursuant to its contractual provisions.

10 **(7) Kentucky Children's Health Insurance Program (KCHIP):** The Secretary
11 of the Cabinet for Health and Family Services may transfer funds from the Medicaid
12 Benefits budget unit to the Kentucky Children's Health Insurance Program General Fund
13 or Restricted Funds appropriations to be used to match the Federal Funds. These transfers
14 may be made to cover both additional regular allocations and redistribution from the
15 federal government. The Secretary shall recommend any proposed transfer to the State
16 Budget Director for review and concurrence prior to transfer. Upon concurrence of the
17 State Budget Director and prior to the transfer, the Secretary shall make the appropriate
18 interim appropriation increase requests pursuant to KRS 48.630.

19 **(8) Intergovernmental Transfers (IGTs):** Any funds received through an
20 Intergovernmental Transfer (IGT) agreement between the Department for Medicaid
21 Services and other governmental entities, in accordance with a federally approved State
22 Plan amendment, shall be used to provide for the health and welfare of the citizens of the
23 Commonwealth through the provision of Medicaid Benefits. Revenues from IGTs are
24 contingent upon agreement by the parties. The Secretary of the Cabinet for Health and
25 Family Services shall make the appropriate interim appropriations increase requests
26 pursuant to KRS 48.630.

27 **(9) Medicaid Budget Analysis Reports:** The Department for Medicaid Services

1 shall submit a quarterly budget analysis report to the Interim Joint Committee on
2 Appropriations and Revenue. The report shall provide monthly detail of actual
3 expenditures, eligibles, and average monthly cost per eligible by eligibility category along
4 with current trailing 12-month averages for each of these figures. The report shall also
5 provide actual figures for all categories of noneligible-specific expenditures such as
6 Supplemental Medical Insurance premiums, Kentucky Patient Access to Care,
7 nonemergency transportation, drug rebates, cost settlements, and Disproportionate Share
8 Hospital payments by type of hospital. The report shall compare the actual expenditure
9 experience with those underlying the enacted or revised enacted budget and explain any
10 significant variances which may occur.

11 **(10) Medicaid Benefits Budget Deficit:** In the event Medicaid Benefits
12 expenditures are projected to exceed available funds, the Secretary of the Cabinet for
13 Health and Family Services shall be empowered to recommend that reimbursement rates,
14 optional services, eligibles, or programs be reduced or maintained at levels existing at the
15 time of the projected deficit in order to avoid a budget deficit. The projected deficit shall
16 be confirmed by the Office of State Budget Director. No service, eligible, or program
17 reductions shall be implemented by the Cabinet for Health and Family Services without
18 written notice of such action to the Interim Joint Committee on Appropriations and
19 Revenue and the State Budget Director. Such actions taken by the Cabinet for Health and
20 Family Services shall be reported, upon request, at the next meeting of the Interim Joint
21 Committee on Appropriations and Revenue.

22 **(11) Medicaid Benefits Budget Surplus:** In the event Medicaid Benefits
23 expenditures are less than available funds, the Secretary of the Cabinet for Health and
24 Family Services may recommend the utilization of available funds to increase
25 reimbursement rates, support program administration, or expand the Medicaid Program or
26 the number of eligibles. No reimbursement rate, service, eligible, or program shall be
27 increased without written approval of the State Budget Director and a report to the

1 Interim Joint Committee on Appropriations and Revenue.

2 **(12) Transfer of Medicaid Benefits Funds:** Any portion of the General Fund
3 appropriation in either fiscal year that is deemed to be necessary for the administration of
4 the Medicaid program may be transferred from the Medicaid Benefits budget unit to the
5 Medicaid Administration budget unit in accordance with statutes governing the functions
6 and activities of the Department for Medicaid Services. The Secretary shall recommend
7 any proposed transfer to the State Budget Director for approval prior to transfer. Such
8 action shall be reported by the Cabinet for Health and Family Services to the Interim Joint
9 Committee on Appropriations and Revenue.

10 **(13) Critical Access Hospitals:** Beginning with the effective date of this Act
11 through June 30, 2012, no acute care hospital shall convert to a critical access hospital
12 unless the hospital has either received funding for a feasibility study from the Kentucky
13 State Office of Rural Health or filed a written request by January 1, 2010, with the
14 Kentucky State Office of Rural Health requesting funding for conducting a feasibility
15 study.

16 **(14) Medicaid Copayments:** Notwithstanding KRS 205.6312, the Department for
17 Medicaid Services may impose copayments for services rendered to Medicaid recipients
18 not to exceed the amounts permitted by federal law.

19 **(15) Medicaid Pharmacy:** Notwithstanding KRS 205.6312(4), a pharmacy
20 provider participating in the Medical Assistance Program shall not be required to serve an
21 eligible recipient if the recipient does not make the required copayment at the time of
22 service. An exception to this provision shall be an initial encounter when a recipient
23 presents a condition which could result in harm to the recipient if left untreated, in which
24 case the pharmacist shall dispense a 72 hour emergency supply of the required medicine.
25 The recipient may then return to the pharmacy with the necessary copayment to obtain the
26 remainder of the prescription. Only one dispensing fee shall be paid by the Cabinet for the
27 provision of both the emergency supply and the remainder of the prescription.

1 **(16) KCHIP Premium Suspension:** Included in the above General Fund
 2 appropriation is \$370,000 in each fiscal year for suspending KCHIP premiums. The
 3 additional funding represents the net state share between premium collections less
 4 administrative costs related to premium collections. Notwithstanding KRS
 5 205.6485(1)(c), KCHIP premiums are suspended for fiscal year 2010-2011 and fiscal year
 6 2011-2012.

7 **(17) Urban Trauma Center:** Included in the above appropriation is funding to
 8 provide for payments for costs associated with operating an urban trauma center hospital
 9 as defined in 907 KAR 1:825. Payments are conditional upon availability of state
 10 matching funds and the ability to receive federal financial participation for such
 11 payments.

12 **(18) Medicaid State Match for Preventive Services By Local and District**
 13 **Health Departments:** Included in the above appropriation in each year of the fiscal
 14 biennium are the total state matching funds required to fully support preventive health
 15 services provided to Medicaid recipients through local and district health departments.
 16 Such services shall continue, at a minimum, at the current level.

17 **(19) Appeals:** An appeal from denial of a service or services provided by a
 18 Medicaid managed care organization for medical necessity, or denial, limitation, or
 19 termination of a health care service in a case involving a medical or surgical specialty or
 20 subspecialty, shall, upon request of the recipient, authorized person, or provider, include a
 21 review by a board-eligible or board-certified physician in the appropriate specialty or
 22 subspecialty area; except in the case of a health care service rendered by a chiropractor or
 23 optometrist, in which case, the denial shall be made respectively by a chiropractor or
 24 optometrist duly licensed in Kentucky as specified in KRS 304.17A-607(1)(b). The
 25 physician reviewer shall not have participated in the initial review and denial of service
 26 and shall not be the provider of service or services under consideration in the appeal.

27 **(20) Medicaid Waiver for Personal Care Services:** The Cabinet for Health and

1 Family Services shall conduct a study to determine the feasibility of pursuing a Medicaid
2 waiver for personal care services. The results of the study shall be reported to the Interim
3 Joint Committee on Health and Welfare by December 1, 2010.

4 **(21) General Fund Carry Forward:** Notwithstanding KRS 45.229, included in
5 the above General Fund appropriation is \$20,609,400 in fiscal year 2009-2010 which
6 shall be carried forward to fiscal year 2010-2011 to support Medicaid benefits
7 expenditures and \$16,350,700 in fiscal year 2010-2011 which shall be carried forward to
8 fiscal year 2011-2012 to support Medicaid benefits expenditures.

9 **(22) Medicaid Recipient Identification Study:** The Cabinet for Health and
10 Family Services shall conduct a study to identify security measures permitted by federal
11 law that ensure Medicaid recipients over 18 years of age and not residing in institutions
12 are properly identified with Medicaid providers and that multiple persons do not utilize
13 the same Medicaid card. The Cabinet shall report the study findings to the Interim Joint
14 Committees on Health and Welfare and Appropriations and Revenue by December 1,
15 2010.

16 **(23) Drug Utilization Review:** The Cabinet for Health and Family Services shall
17 implement the Drug Management Review Advisory Board in accordance with the
18 provisions of KRS 205.5636 and 205.5638.

19 **(24) Medicaid Analysis:** The Cabinet for Health and Family Services shall
20 develop a plan for evaluating Medicaid benefits and efficiencies and expanding the
21 existing Medicaid Managed Care Organization (MMCO) currently serving Region 3 -
22 Louisville and surrounding counties.

23 Areas to be evaluated for Medicaid efficiencies shall include, but not be limited to:

24 (a) Alternate methods of achieving savings in pharmacy dispensing fees; (b) An
25 evaluation of options in reducing the average wholesale price (AWP) pricing structures
26 for all drug categories; (c) An analysis of potential savings through medication therapy
27 management; and (d) An assessment of the fiscal impact of primary care case

1 management programs. The plan shall include a cost and savings analysis of any planned
2 expansions.

3 The Cabinet for Health and Family Services shall report on the efficiency
4 evaluations and the MMCO expansion to the Interim Joint Committee on Health and
5 Welfare and the Interim Joint Committee on Appropriations and Revenue by December 1,
6 2010.

7 If the Legislative Research Commission (LRC) determines that the Cabinet for
8 Health and Family Services has not adequately addressed the concerns identified in this
9 subsection, then the LRC may commission its own evaluation and the Cabinet for Health
10 and Family Services shall pay for the cost of the evaluation.

11 **(25) Partnership Section 1115 Medicaid Demonstration Waiver Operated by**
12 **University Health Care, Inc.:** It is the intent of the General Assembly for University
13 Health Care, Inc. to continue to provide Medicaid managed care and pharmacy benefit
14 management services for Jefferson County and the surrounding 15 counties included
15 under the Partnership Section 1115 Medicaid Demonstration Waiver.

16 As such, included in the above appropriation in each year of the fiscal
17 biennium are the total state matching funds required to fully support the continuation of
18 University Health Care, Inc.'s operation of Passport Health Plan of the Partnership
19 Section 1115 Medicaid Demonstration Waiver serving Jefferson County and the
20 surrounding 15 counties. This funding includes the amount necessary to preserve the
21 program at least at the fiscal year 2009-2010 level.

22 In accordance with the process set forth by the United States Centers for
23 Medicare and Medicaid Services for renewal of the Partnership Section 1115
24 Demonstration Waiver operated by University Health Care, Inc., the Cabinet for Health
25 and Family Services shall act to comply with these requirements for renewal. If the
26 Secretary determines that the cabinet cannot attest to the budget neutrality required for
27 renewal of the waiver, the Secretary shall report this decision and supporting rationale to

the Interim Joint Committee on Appropriations and Revenue, or if during a legislative session to the House and Senate Committees on Appropriations and Revenue, no less than 120 days prior to the deadline for submission of the request for renewal.

(26) Medicaid Pharmacy Efficiencies: It is the intent of the General Assembly to improve and reform the management of the statewide pharmacy program offered to Medicaid recipients. As such, the General Assembly directs the Cabinet for Health and Family Services to take necessary actions, including seeking federal approval, to establish programs or engage providers to assist with managing the statewide pharmacy program by increasing the use of generic drugs and by increasing accepted practices to eliminate excess prescriptions in order to deter Medicaid recipients from obtaining multiple prescriptions from different physicians for the same drug.

TOTAL - MEDICAID SERVICES

	2010-11	2011-12
General Fund	812,901,600	1,471,195,700
Restricted Funds	383,068,300	384,473,800
Federal Funds	4,425,736,700	4,374,675,800
TOTAL	5,621,706,600	6,230,345,300

4. BEHAVIORAL HEALTH, DEVELOPMENTAL AND INTELLECTUAL DISABILITIES

	2010-11	2011-12
General Fund (Tobacco)	900,000	900,000
General Fund	183,670,800	181,941,100
Restricted Funds	242,537,600	242,694,400
Federal Funds	40,349,800	37,843,800
TOTAL	467,458,200	463,379,300

(1) Disproportionate Share Hospital Funds: Mental health disproportionate share funds are budgeted at the maximum amounts permitted by Section 1923(f) of the

1 Social Security Act. Upon publication in the Federal Register of the Annual Institutions
2 for Mental Disease (IMD) Disproportionate Share Hospital (DSH) limit, 92.3 percent of
3 the federal IMD DSH limit goes to the state-operated mental hospitals.

4 **(2) Debt Service:** Included in the above General Fund appropriation is
5 \$1,011,000 in fiscal year 2010-2011 and \$2,236,000 in fiscal year 2011-2012 for debt
6 service to support new bonds as set forth in Part II, Capital Projects Budget, of this Act.

7 **(3) Tobacco Settlement Funds:** Included in the above General Fund (Tobacco)
8 appropriation is \$900,000 in each fiscal year for substance abuse prevention and
9 treatment for pregnant women with a history of substance abuse problems.

10 **(4) Replacement of Eastern State Hospital:** The Commonwealth recognizes the
11 statutory role of community mental health/mental retardation boards in providing mental
12 health and mental retardation services across the Commonwealth. Notwithstanding any
13 other provision of law to the contrary, the Secretary of the Cabinet for Health and Family
14 Services shall solicit a proposal from the Bluegrass Regional Mental Health and Mental
15 Retardation (MH/MR) Board, Inc. to operate a new Eastern State Facility constructed to
16 replace the existing Eastern State Hospital facility.

17 Notwithstanding any other provision of law to the contrary, upon a finding by the
18 Secretary that the proposal meets programmatic requirements for the anticipated
19 population and its needs and upon a further finding that the financial provisions are
20 satisfactory, the cabinet may enter into a contractual arrangement with Bluegrass
21 Regional MH/MR Board, Inc. to operate the facility without soliciting competing
22 proposals.

23 **(5) Rental Payments:** If the new mental health facility to replace Eastern State
24 Hospital as authorized in this Act is occupied by the Cabinet for Health and Family
25 Services during the 2010-2012 fiscal biennium, all associated rental payments shall be
26 deemed a necessary government expense and shall be paid from the General Fund
27 Surplus Account (KRS 48.700) or the Budget Reserve Trust Fund Account (KRS

48.705), subject to the conditions and procedures provided in this Act.

(6) Regional Mental Health/Mental Retardation Boards Retirement Cost

Increase: Included in the above General Fund appropriation is \$2,497,600 in fiscal year 2010-2011 and \$3,837,800 in fiscal year 2011-2012 for Regional Mental Health/Mental Retardation Boards to assist them with the required increase of the employer contribution rates, effective July 1, 2010, and July 1, 2011, for the Kentucky Employees Nonhazardous state retirement system. The Department for Medicaid Services shall recognize this new cost to the Regional Mental Health/Mental Retardation Boards in the reimbursement rates, and the Department for Behavioral Health, Developmental and Intellectual Disabilities shall utilize these funds to provide the required state match. If that effort is not successful by August 1, 2010, then the Commissioner of the Department for Behavioral Health, Developmental and Intellectual Disabilities shall distribute these funds directly to the Regional Mental Health/Mental Retardation Boards on a prorated basis by August 15, 2010, and by July 15, 2011. Notwithstanding any provision of this Act to the contrary, the total amount of these funds shall not be subject to reduction, transfer, or any other budgetary reduction action.

(7) Kentucky Prescription Assistance Program: Included in the above General Fund appropriation is \$190,000 in fiscal year 2010-2011 and \$180,000 in fiscal year 2011-2012 to support a program for those indigent persons receiving services through regional mental health/mental retardation boards to obtain free or reduced pharmaceuticals, including any pharmaceuticals needed for physical health to provide a continuum of care. The 14 regional mental health/mental retardation boards shall report the number and types of prescriptions filled, the total cost and average cost per prescription, and the number of recipients to the Interim Joint Committees on Health and Welfare and Appropriations and Revenue by August 1 of each year.

5. PUBLIC HEALTH

2010-11

2011-12

1	General Fund (Tobacco)	16,546,900	14,505,100
2	General Fund	61,174,300	61,312,500
3	Restricted Funds	116,297,100	116,455,000
4	Federal Funds	239,986,500	239,742,600
5	TOTAL	434,004,800	432,015,200

6 **(1) Tobacco Settlement Funds:** Included in the above General Fund (Tobacco)
7 appropriation is \$8,752,000 in fiscal year 2010-2011 and \$8,000,000 in fiscal year 2011-
8 2012 for the Health Access Nurturing Development Services Program, \$1,000,000 in
9 each fiscal year for Healthy Start initiatives, \$1,775,900 in fiscal year 2010-2011 and
10 \$800,000 in fiscal year 2011-2012 for Universal Children's Immunizations, \$200,000 in
11 each fiscal year for the Folic Acid Program, \$950,000 in each fiscal year for Early
12 Childhood Mental Health, \$310,500 in each fiscal year for Early Childhood Oral Health,
13 \$750,000 in fiscal year 2010-2011 and \$675,800 in fiscal year 2011-2012 for the
14 Kentucky Early Intervention Services First Steps Program, \$225,000 in fiscal year 2010-
15 2011 and \$200,000 in fiscal year 2011-2012 for the Reach Out and Read Program, and
16 \$2,583,500 in fiscal year 2010-2011 and \$2,368,800 in fiscal year 2011-2012 for
17 Smoking Cessation.

18 **(2) Local and District Health Department Payments:** The Department for
19 Public Health shall not impose a cap or other restriction on the number or amount of
20 services that a local or district health department may provide. The Department for Public
21 Health shall submit all requests for payment for services provided to the Department for
22 Medicaid Services that are submitted by a local or district health department.

23 **(3) Medicaid State Match for Preventive Services Through Local and**
24 **District Health Departments:** Included in the Medicaid Benefits appropriation as set
25 forth in Part I, G., 3., b., of this Act is the total General Fund state matching dollars
26 required in each fiscal year to fully support preventive health services provided to
27 Medicaid recipients through local and district health departments.

1 **(4) Local and District Health Department Retirement Cost Increase:** Included
 2 in the above General Fund appropriation is \$1,634,000 in fiscal year 2010-2011 and
 3 \$2,380,500 in fiscal year 2011-2012 for Local and District Health Departments to assist
 4 them with the required increase of the employer contribution rates, effective July 1, 2010,
 5 and July 1, 2011, for the Kentucky Employees Nonhazardous state retirement system. The
 6 Department for Medicaid Services shall recognize this new cost to the Local and District
 7 Health Departments in the reimbursement rates, and the Department for Public Health
 8 shall utilize these funds to provide the required state match. If that effort is not successful
 9 by August 1, 2010, then the Commissioner of Public Health shall distribute these funds
 10 directly to the Local and District Health Departments on a prorated basis by August 15,
 11 2010, and by July 15, 2011. Notwithstanding any provision of this Act to the contrary, the
 12 total amount of these funds, as provided in this subsection, shall not be subject to
 13 reduction, transfer, or any other budgetary reduction action.

14 **6. HEALTH POLICY**

15		2010-11	2011-12
16	General Fund	496,500	491,500
17	Restricted Funds	821,000	821,000
18	TOTAL	1,317,500	1,312,500

19 **7. FAMILY RESOURCE CENTERS AND VOLUNTEER SERVICES**

20		2010-11	2011-12
21	General Fund	428,300	424,000
22	Restricted Funds	95,000	95,000
23	Federal Funds	3,383,700	3,344,900
24	TOTAL	3,907,000	3,863,900

25 **8. INCOME SUPPORT**

26		2010-11	2011-12
27	General Fund	1,376,400	1,362,600

1	Restricted Funds	19,734,100	19,925,900
2	Federal Funds	86,368,800	87,154,000
3	TOTAL	107,479,300	108,442,500

4 **9. COMMUNITY BASED SERVICES**

5		2010-11	2011-12
6	General Fund (Tobacco)	9,395,400	9,175,000
7	General Fund	315,908,700	312,749,600
8	Restricted Funds	137,870,700	139,060,200
9	Federal Funds	523,081,100	514,609,300
10	TOTAL	986,255,900	975,594,100

11 **(1) Tobacco Settlement Funds:** Included in the above General Fund (Tobacco)
 12 appropriation is \$9,395,400 in fiscal year 2010-2011 and \$9,175,000 in fiscal year 2011-
 13 2012 for the Early Childhood Development Program.

14 **(2) Kentucky Sexual Assault Prevention Programs Retirement Cost Increase:**
 15 Included in the above General Fund appropriation is \$53,200 in fiscal year 2010-2011 and
 16 \$81,900 in fiscal year 2011-2012 for Kentucky Sexual Assault Prevention Programs to
 17 add to their base contract to assist them with the required increase of the employer
 18 contribution rates, effective July 1, 2010, and July 1, 2011, for the Kentucky Employees
 19 Nonhazardous state retirement system.

20 **(3) Kentucky Domestic Violence Association Program Retirement Cost**
 21 **Increase:** Included in the above General Fund appropriation is \$226,400 in fiscal year
 22 2010-2011 and \$348,000 in fiscal year 2011-2012 for Domestic Violence Centers to add
 23 to their base contract to assist them with the required increase of the employer
 24 contribution rates, effective July 1, 2010, and July 1, 2011, for the Kentucky Employees
 25 Nonhazardous state retirement system.

26 **(4) Child Advocacy Centers Retirement Cost Increase:** Included in the above
 27 General Fund appropriation is \$84,700 in fiscal year 2010-2011 and \$130,200 in fiscal

year 2011-2012 for Child Advocacy Centers to add to their base contract to assist them with the required increase of the employer contribution rates, effective July 1, 2010, and July 1, 2011, for the Kentucky Employees Nonhazardous state retirement system.

(5) Family and Children's Place: Included in the above General Fund appropriation is \$50,000 in each fiscal year to continue current services at the Family and Children's Place in Louisville, Kentucky.

(6) Boni Bill Implementation: Included in the above General Fund appropriation are funds for the continued implementation of the Boni Frederick Bill (2007 Ky. Acts ch. 140). The social workers employed by the Commonwealth of Kentucky face a challenging work environment, and children and citizens of the Commonwealth deserve an adequate response to allegations of adult or child abuse, neglect, or exploitation. This funding shall also include but not be limited to procuring adequate cellular phone communications to address safety issues of social workers in the areas served, and may include funds to ensure front-line social worker office and field safety needs.

The Finance and Administration Cabinet shall assist the Cabinet for Health and Family Services and the Department for Community Based Services in securing adequate cell phone coverage practicable to ensure worker safety.

10. AGING AND INDEPENDENT LIVING

	2010-11	2011-12
General Fund	42,254,100	41,803,700
Restricted Funds	2,254,900	2,254,900
Federal Funds	20,497,400	20,497,400
TOTAL	65,006,400	64,556,000

(1) Local Match Requirements: Notwithstanding KRS 205.460, entities contracting with the Cabinet for Health and Family Services to provide essential services under KRS 205.455 and 205.460 shall provide local match equal to or greater than the amount in effect during fiscal year 2009-2010. Local match may include any combination

of materials, commodities, transportation, office space, personal services, or other types of facility services or funds. The Secretary of the Cabinet for Health and Family Services shall prescribe the procedures to certify the local match assurance.

TOTAL - HEALTH AND FAMILY SERVICES CABINET

	2010-11	2011-12
General Fund (Tobacco)	27,192,300	24,930,100
General Fund	1,457,700,200	2,110,375,300
Restricted Funds	918,872,200	922,435,900
Federal Funds	5,379,626,700	5,319,633,100
TOTAL	7,783,391,400	8,377,374,400

H. JUSTICE AND PUBLIC SAFETY CABINET

Budget Units

1. JUSTICE ADMINISTRATION

	2010-11	2011-12
General Fund (Tobacco)	1,923,400	1,923,400
General Fund	11,352,900	11,152,900
Restricted Funds	5,728,900	5,419,000
Federal Funds	17,235,600	11,505,500
TOTAL	36,240,800	30,000,800

(1) Office of Drug Control Policy: Included in the above Restricted Funds appropriation is \$1,800,000 in fiscal year 2010-2011 and \$1,800,000 in fiscal year 2011-2012 for regional Drug Courts in Kentucky's coal-producing counties.

(2) Operation Unite: Included in the above Restricted Funds appropriation is \$2,000,000 in each fiscal year for Operation Unite.

(3) Tobacco Settlement Funds: Included in the above General Fund (Tobacco) appropriation is \$1,923,400 in fiscal year 2010-2011 and \$1,923,400 in fiscal year 2011-2012 for the Office of Drug Control Policy.

(4) **Public Safety Performance Project:** Included in the above General Fund appropriation is \$200,000 in fiscal year 2010-2011 for the Pew Center on the States' Public Safety Performance Project.

2. CRIMINAL JUSTICE TRAINING

	2010-11	2011-12
Restricted Funds	50,316,400	50,829,200
Federal Funds	206,100	206,100
TOTAL	50,522,500	51,035,300

(1) **Kentucky Law Enforcement Foundation Program Fund:** Included in the above Restricted Funds appropriation is \$49,218,000 in fiscal year 2010-2011 and \$49,723,300 in fiscal year 2011-2012 for the Kentucky Law Enforcement Foundation Program Fund.

(2) **Training Incentive Payments:** Notwithstanding KRS 15.460(1), included in the above Restricted Funds appropriation is \$3,100 in fiscal year 2010-2011 and \$3,100 in fiscal year 2011-2012 for each participant for training incentive payments.

(3) **Training Incentive Stipends - Justice and Public Safety Cabinet Personnel:** Notwithstanding KRS 15.410, 15.420(2), 15.440(1), 15.460(1), and 15.470(2) and (4), included in the above Restricted Funds appropriation is sufficient funding for a \$3,100 annual training incentive stipend for Kentucky state troopers, Kentucky State Police arson investigators, Kentucky State Police hazardous devices investigators, Kentucky State Police legislative security specialists, and Kentucky vehicle enforcement officers from the Kentucky Law Enforcement Foundation Program Fund.

3. JUVENILE JUSTICE

	2010-11	2011-12
General Fund	76,467,900	76,467,900
Restricted Funds	14,635,400	14,686,700
Federal Funds	15,156,100	14,861,800

1	TOTAL	106,259,400	106,016,400
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(1) **Mary Kendall Homes and Gateway Juvenile Diversion:** Included in the above General Fund appropriation is \$300,000 in each fiscal year of the biennium for the support of the Mary Kendall Homes and \$300,000 in each fiscal year of the biennium for the support of Gateway Juvenile Diversion.

6 **4. STATE POLICE**

7		2010-11	2011-12
8	General Fund	55,770,300	65,505,300
9	Restricted Funds	20,031,500	21,016,000
10	Federal Funds	35,504,900	21,797,200
11	Road Fund	79,799,500	83,251,500
12	TOTAL	191,106,200	191,570,000

13 **(1) Call to Extraordinary Duty:** There is appropriated from the General Fund to
14 the Department of Kentucky State Police, subject to the conditions and procedures
15 provided in this Act, funds which are required as a result of the Governor's call of the
16 Kentucky State Police to extraordinary duty when an emergency situation has been
17 declared to exist by the Governor. Funding is authorized to be provided from the General
18 Fund Surplus Account (KRS 48.700) or the Budget Reserve Trust Fund Account (KRS
19 48.705).

(2) **State Police and Vehicle Enforcement Personnel Training Incentive:**
Included in the above Restricted Funds appropriation is sufficient funding for a \$3,100 annual training incentive stipend for state troopers, arson investigators, hazardous devices investigators, legislative security specialists, and vehicle enforcement officers from the Kentucky Law Enforcement Foundation Program Fund.

(3) **Restricted Funds Uses:** Notwithstanding KRS 42.320(2)(h), 160.151(1)(c), 189A.050(3)(a), and 237.110(18), funds are included in the above Restricted Funds appropriation to maintain the operations and administration of the Kentucky State Police.

(4) **Dispatcher Training Incentive:** Included in the above General Fund appropriation is sufficient funding for a \$3,100 annual training incentive stipend for dispatchers.

5. CORRECTIONS

a. Corrections Management

	2010-11	2011-12
General Fund	8,605,700	11,104,700
Restricted Funds	135,100	135,100
Federal Funds	275,000	75,000
TOTAL	9,015,800	11,314,800

(1) **Debt Service:** Included in the above General Fund appropriation is \$478,000 in fiscal year 2010-2011 and \$2,977,000 in fiscal year 2011-2012 for new debt service to support new bonds as set forth in Part II, Capital Projects Budget, of this Act.

(2) **Appropriations Adjustments:** The General Assembly has determined that the Department of Corrections shall be permitted to adjust appropriations between the Community Services and Local Facilities budget unit and the Adult Correctional Institutions budget unit in fiscal year 2010-2011 and in fiscal year 2011-2012. Only adjustments necessary to manage the diverse mix of inmate classifications, custody levels, probation and parole caseloads, and population increases or decreases shall be permitted. Any appropriations transferred or otherwise directed between these appropriation units shall be documented and justified in writing. No adjustments may be made except upon the prior written concurrence of the State Budget Director. The State Budget Director shall report the adjustments and the necessity of the adjustments to the Interim Joint Committee on Appropriations and Revenue.

(3) **Jailer Mental Health Screening Training:** The Kentucky Commission on Services and Supports for Individuals with Mental Illness, Alcohol and Other Drug Abuse Disorders, and Dual Diagnoses shall, in its annual review of the Commission plan,

1 include in its duties recommendations for improvements in identifying, treating, housing,
 2 and transporting prisoners in jails and juveniles in detention centers with mental illness.
 3 Items to be reviewed shall include but not be limited to recommendations for statutory
 4 and regulatory changes, training and treatment funding, cost sharing, housing and
 5 transportation costs, appropriate treatment sites, and training requirements for local jailers
 6 and other officers of the court who may come in contact with persons incarcerated or in
 7 detention but deemed mentally ill.

8 The training shall continue to be delivered by Regional Mental Health/Mental
 9 Retardation Board staff to new jailers and new jail staff, except administrative support, on
 10 screening and responding to the needs of inmates with mental illness within six months of
 11 employment. Treatment services may also be provided for within this funding allocation.

12 **(4) Non-Violent, Non-Sexual Class C and Class B Felons:** The Department of
 13 Corrections shall assess the non-violent, non-sexual inmate population incarcerated for a
 14 Class C or Class B felony, and develop recommendations for actions or programs that
 15 may be implemented to reduce the time of incarceration for these inmates and assist them
 16 with reentering the community. A report shall be submitted to the House and Senate
 17 Appropriations and Revenue Committees and the House and Senate Judiciary
 18 Committees by January 15, 2011, specifying the Department's findings and
 19 recommendations.

20 **(5) Public Safety First Programs:** Included in the above General Fund
 21 appropriation is \$515,000 in fiscal year 2010-2011 for the Public Safety First Programs,
 22 including the Victim Information and Notification Everyday (VINE) Protective Order and
 23 the VINE Court Victim Notification Program.

24 **b. Adult Correctional Institutions**

25		2010-11	2011-12
26	General Fund	259,399,000	273,313,700
27	Restricted Funds	19,706,400	19,988,900

1	Federal Funds	18,463,600	2,253,700
2	TOTAL	297,569,000	295,556,300

3 **(1) Time Credit for Program Completion:** Notwithstanding KRS 197.045(1),
4 the Department of Corrections shall provide an educational good time credit of 90 days to
5 any prisoner who successfully receives a graduate equivalency diploma or a high school
6 diploma, a two or four year certification in applied sciences, or a technical education
7 diploma as provided and defined by the department, or completes a drug treatment
8 program or other treatment program as defined by the department that requires
9 participation in the program of six months or more.

10 **(2) Meritorious Credit:** Notwithstanding KRS 197.045(3), an inmate may, at the
11 discretion of the Commissioner of the Department of Corrections, be allowed a deduction
12 from a sentence not to exceed seven days per month for meritorious behavior, and may be
13 allowed an additional deduction up to seven days per month for acts of exceptional
14 service during times of emergency or for performing duties of outstanding importance in
15 connection with institutional operations and programs.

16 **(3) Corrections Education:** Included in the above General Fund appropriation is
17 \$5,348,100 in fiscal year 2010-2011 and \$5,348,100 in fiscal year 2011-2012 for
18 education programs at the Department of Corrections facilities that had previously been
19 provided for in the Kentucky Community and Technical College System (KCTCS)
20 budget. The faculty and staff funded by this amount and employed by KCTCS to provide
21 educational services and support to inmates shall be transferred to the Department of
22 Corrections beginning in fiscal year 2010-2011.

23 **(4) Canteen Fund Proceeds:** The Department of Corrections shall file
24 semiannual reports with the Interim Joint Committee on Appropriations and Revenue
25 detailing the revenues and expenditures from the Canteen Fund for each state-operated
26 prison, private prison, and the central office of the department. The first report shall be
27 due August 1, 2010, and shall provide financial information for the period of January 1,

2010, through June 30, 2010. Thereafter, reports shall be filed every six months from the August 1, 2010, date.

(5) Expungement of Dismissed Inmate Disciplinary Reports at Department of Corrections Institutions: The warden of each Department of Corrections institution shall expunge inmate prison disciplinary reports that have been dismissed or otherwise ordered void, and shall further remove any reference to dismissed or voided disciplinary reports from inmate records.

(6) Correctional Facilities Plan: (a) The Department of Corrections shall develop a plan that projects the Commonwealth's need for correctional facilities on an annual basis starting with fiscal year 2011-2012 and ending with fiscal year 2021-2022. The plan shall consider and assess all appropriate factors including:

1. Current condition and capacity of existing state prisons, private prisons utilized by the state, and county jails;
2. Current and projected number and classification of state inmates;
3. The potential for using community corrections programs to minimize the use of prison beds; and
4. Demographic trends in the Commonwealth that may impact crime and incarceration rates.

(b) The plan shall make recommendations concerning future correctional facility modifications based on a cost/benefit analysis for each proposed action that shall include:

1. Renovation or expansion of existing facilities;
2. Closing or reducing the capacity of older facilities in the system;
3. Constructing new facilities;
4. Increased or decreased use of county jails, and the resulting financial impact on county fiscal courts and the Commonwealth;
5. Increased or decreased use of private prisons; and
6. The use of community corrections programs, electronic and global positioning

1 monitoring equipment, and halfway houses.

2 (c) The plan shall be submitted to the Legislative Research Commission for
3 referral to the appropriate committees by December 31, 2010.

4 **(7) Place of Imprisonment for Class D Felons:** A Class D felon with a sentence
5 of more than five years who has less than five years remaining to be served, has been
6 convicted of a non-violent or non-sexual offense, and is not classified by the Department
7 of Corrections as community custody, may serve the remainder of his or her term in a
8 county jail in a county in which the fiscal court has agreed to house state prisoners.

9 **(8) Transfer to State Institutions:** Notwithstanding KRS 532.100(7), state
10 prisoners, excluding the Class C and Class D felons, qualifying to serve time in county
11 jails, may be transferred to a state institution within 90 days of final sentencing, if the
12 county jail does not object to the additional 45 days.

13 **(9) Insurance Proceeds:** All funds received by the Commonwealth as a result of
14 the damages caused by the inmate disturbance at Northpoint Training Center on August
15 21, 2009, shall be deposited to the General Fund.

16 **c. Community Services and Local Facilities**

17		2010-11	2011-12
18	General Fund	144,421,000	140,926,500
19	Restricted Funds	3,557,500	3,557,500
20	Federal Funds	264,200	264,200
21	TOTAL	148,242,700	144,748,200

22 **(1) Excess Local Jail Per Diem Costs:** In the event that actual local jail per diem
23 payments exceed the amounts provided to support the budgeted average daily population
24 of state felons in county jails for fiscal year 2010-2011 and fiscal year 2011-2012, the
25 payments shall be deemed necessary government expenses and may be paid from the
26 General Fund Surplus Account (KRS 48.700) or the Budget Reserve Trust Fund Account
27 (KRS 48.705), subject to notification as to necessity and amount by the State Budget

1 Director who shall report any certified expenditure to the Interim Joint Committee on
2 Appropriations and Revenue.

3 **(2) Local Jails Funding:** Notwithstanding KRS 441.605 to 441.695, funds in the
4 amount of \$2,427,500 in fiscal year 2010-2011 and \$2,427,500 in fiscal year 2011-2012
5 shall be expended from the Kentucky Local Correctional Facilities Construction
6 Authority for local correctional facility and operational support consistent with
7 contractual covenants in accordance with bond indentures of the Authority.

8 **(3) Conditional Parole for Substance Abuse and Other Programs:**
9 Notwithstanding KRS 439.340(3)(b), when the Parole Board recommends parole upon
10 completion of a program, the Commissioner of the Department of Corrections or his or
11 her designee, shall determine the most appropriate placement in a program either operated
12 by the Department of Corrections or a program within the community approved by the
13 Department of Corrections. The Parole Board shall grant parole with the condition that
14 the parolee complete the program in the community if the Department of Corrections
15 determines that participation in the program in the community is appropriate.

16 **(4) Intermediate Sanctions for Technical Parole Violators:** Notwithstanding
17 KRS 439.430, if a person released to supervision under KRS Chapter 439 signs a
18 statement admitting a violation of the terms of his or her supervision, the Parole Officer
19 may as a sanction for the violation confine the person in a county jail for not more than
20 ten days consecutively, and not more than 30 days within a 365 day period. The
21 Department of Corrections shall reimburse the county for the costs of incarcerating a
22 person under this subsection. A person is not eligible to earn good time credit on any
23 period of confinement under this subsection.

24 **(5) Parole Deferments:** Notwithstanding KRS 439.340(3)(b), if the parole board
25 does not grant parole, the maximum deferment or serve-out for an offender convicted of a
26 non-violent, non-sexual Class C or Class D felony shall be 24 months. No deferment or
27 serve-out shall exceed ten years following the offender's initial eligibility date, except for

1 life sentences. No deferment or serve-out greater than five years shall be ordered unless
2 by a vote of the full board.

3 **(6) Home Incarceration:** Notwithstanding KRS 532.260(1)(b), any person
4 convicted of a non-violent, non-sexual Class C or Class D felony who is serving a
5 sentence in a state-operated prison, contract facility, or county jail may, at the discretion
6 of the Commissioner of the Department of Corrections, be eligible to serve his or her
7 sentence outside the walls of the detention facility under the terms of home incarceration
8 using an approved monitoring device as defined in KRS 532.200, if the felon has 180
9 days or less to serve on his or her sentence or, at the discretion of the Commissioner and
10 the approval by the Secretary of the Justice and Public Safety Cabinet, if the felon has
11 more than 180 days to serve on his or her sentence. Any person serving a sentence on
12 home incarceration may, at the discretion of the Commissioner of the Department of
13 Corrections, be allowed to leave his or her premises for gainful employment, and a
14 reasonable and appropriate amount of the wages earned each pay period shall be used to
15 pay restitution or child support as required by the court.

16 **(7) Administration of Home Incarceration:** The Department of Corrections
17 may enter into agreements with private vendors, county jails, or other competent
18 providers to administer and monitor offenders placed under home incarceration.

19 The Department of Corrections shall ensure that the appropriate staff members have
20 up-to-date information concerning the latest global positioning systems technology and
21 other relevant technology available for monitoring prisoners placed in home
22 incarceration.

23 The Department shall review the file of each inmate eligible for home incarceration
24 that is within 200 days of release, and ascertain if that inmate is a reasonable candidate
25 for home incarceration with the use of electronic monitoring or global positioning system
26 monitoring during the last 180 days of his or her sentence.

27 The Department shall submit an annual report to the Interim Joint Committee on

1 Appropriations and Revenue and the Interim Joint Committee on Judiciary specifying the
 2 number of offenders placed on home incarceration, the number of days each person was
 3 incarcerated at home, and the number of persons that did not complete the home
 4 incarceration period successfully. The reports shall be submitted by July 30, 2011, and by
 5 July 30, 2012.

6 **(8) Probation and Parole Officers:** Included in the above General Fund
 7 appropriation is \$3,000,000 in fiscal year 2011-2012 for hiring and equipping 50
 8 additional probation and parole officers.

9 **(9) Community Corrections:** Included in the above General Fund appropriation
 10 is \$2,000,000 in fiscal year 2011-2012 for community corrections services to assist
 11 parolees in successfully reentering the community.

12 **d. Local Jail Support**

	2010-11	2011-12
13		
14	General Fund	14,321,500 14,321,500

15 **(1) Inmate Medical Care Expenses:** Included in the above General Fund
 16 appropriation is \$931,100 in fiscal year 2010-2011 and \$931,100 in fiscal year 2011-2012
 17 for medical care contracts to be distributed, upon approval of the Department of
 18 Corrections, to counties by the formula codified in KRS 441.206, and \$295,900 in fiscal
 19 year 2010-2011 and \$295,900 in fiscal year 2011-2012, on a partial reimbursement basis,
 20 for medical claims in excess of the statutory threshold pursuant to KRS 441.045. The
 21 funding support for medical contracts and catastrophic medical expenses for indigents
 22 shall be maintained in discrete accounts. Any medical claim which exceeds the statutory
 23 threshold may be reimbursed for that amount in excess of the statutory threshold. In no
 24 event shall this apply to expenses of an elective, as opposed to emergency, basis, and
 25 expenses shall be paid according to the Kentucky Medical Assistance Schedule.

26 **(2) Life Safety or Closed Jails:** Included in the above General Fund
 27 appropriation is \$960,000 in each fiscal year of the biennium to provide a monthly

payment of an annual amount of \$20,000 to each county with a life safety jail or a closed jail. The payment shall be in addition to the monthly payment required by KRS 441.206(2).

TOTAL - CORRECTIONS

	2010-11	2011-12
General Fund	426,747,200	439,666,400
Restricted Funds	23,399,000	23,681,500
Federal Funds	19,002,800	2,592,900
TOTAL	469,149,000	465,940,800

6. PUBLIC ADVOCACY

	2010-11	2011-12
General Fund	37,571,200	37,195,500
Restricted Funds	4,020,000	4,044,000
Federal Funds	2,196,000	1,798,500
TOTAL	43,787,200	43,038,000

(1) Compensatory Leave Conversion to Sick Leave: If the Department of Public Advocacy determines that internal budgetary pressures warrant further austerity measures, the Public Advocate may institute a policy to suspend payment of 50 hour blocks of compensatory time for those attorneys who have accumulated 240 hours of compensatory time and instead convert those hours to sick leave.

TOTAL - JUSTICE AND PUBLIC SAFETY CABINET

	2010-11	2011-12
General Fund (Tobacco)	1,923,400	1,923,400
General Fund	607,909,500	629,988,000
Restricted Funds	118,131,200	119,676,400
Federal Funds	89,301,500	52,762,000
Road Fund	79,799,500	83,251,500

1	TOTAL	897,065,100	887,601,300
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2	I. LABOR CABINET		
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3	Budget Units		
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4	1. SECRETARY		
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5		2010-11	2011-12
6	Restricted Funds	4,288,000	4,290,200
7	Federal Funds	98,200	98,200
8	TOTAL	4,386,200	4,388,400

9	2. GENERAL ADMINISTRATION AND PROGRAM SUPPORT		
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10		2010-11	2011-12
11	General Fund	3,065,400	3,034,700
12	Restricted Funds	2,522,000	2,734,100
13	Federal Funds	68,700	68,700
14	TOTAL	5,656,100	5,837,500

15	3. WORKPLACE STANDARDS		
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16		2010-11	2011-12
17	General Fund	1,813,100	1,795,000
18	Restricted Funds	77,143,400	77,450,400
19	Federal Funds	3,106,700	3,080,000
20	TOTAL	82,063,200	82,325,400

21	4. WORKERS' CLAIMS		
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22		2010-11	2011-12
23	Restricted Funds	15,229,700	15,670,600

24	5. OCCUPATIONAL SAFETY AND HEALTH REVIEW COMMISSION		
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25		2010-11	2011-12
26	Restricted Funds	519,800	530,800

27	6. WORKERS' COMPENSATION FUNDING COMMISSION		
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	2010-11	2011-12
Restricted Funds	106,134,700	107,315,700

(1) **Commission Funding:** Notwithstanding KRS 342.122(1)(c), no General Fund appropriation is provided to the Kentucky Workers' Compensation Funding Commission in fiscal year 2010-2011 and fiscal year 2011-2012.

(2) **Mine Safety Funding:** Notwithstanding KRS 342.1242, \$952,000 in each fiscal year of the biennium from the Coal Workers' Pneumoconiosis Fund shall support mine safety compliance, education, and training in the Office of Mine Safety and Licensing.

10 **TOTAL - LABOR CABINET**

	2010-11	2011-12
General Fund	4,878,500	4,829,700
Restricted Funds	205,837,600	207,991,800
Federal Funds	3,273,600	3,246,900
TOTAL	213,989,700	216,068,400

16 **J. PERSONNEL CABINET**

17 **Budget Units**

18 **1. GENERAL OPERATIONS**

	2010-11	2011-12
General Fund	2,879,000	2,879,000
Restricted Funds	20,806,500	20,293,400
TOTAL	23,685,500	23,172,400

(1) **Debt Service:** Included in the above General Fund appropriation is \$2,879,000 in fiscal year 2010-2011 and \$2,879,000 in fiscal year 2011-2012 for new debt service to support new bonds as set forth in Part II, Capital Projects Budget, of this Act. The Personnel Cabinet shall collect a pro rata assessment from all state agencies and other organizations that are supported by the new personnel and payroll system being

developed. Those collections shall be deposited and retained in a separate Special Project Account within the Personnel Cabinet unless otherwise directed by this Act.

2. PUBLIC EMPLOYEES DEFERRED COMPENSATION

AUTHORITY

	2010-11	2011-12
Restricted Funds	8,574,500	8,988,300

3. WORKERS' COMPENSATION BENEFITS AND RESERVE

	2010-11	2011-12
Restricted Funds	25,367,100	27,364,400

4. STATE SALARY AND COMPENSATION FUND

	2010-11	2011-12
General Fund	35,000,000	58,000,000

(1) Retirement Employer Contributions: The above General Fund appropriation provides a pool of funds to be allocated and distributed to employers of members of the Kentucky Employees Retirement System in hazardous and nonhazardous positions and employers of members of the State Police Retirement System to provide the General Fund portion of the increased employer contribution rates in accordance with the procedures contained in Part IV, State Salary/Compensation, Benefit, and Employment Policy, of this Act.

(2) Health Insurance Increased Costs: The above General Fund appropriation provides a pool of funds to be allocated to Executive Branch agencies that participate in the Public Employees Self-Insured Health Insurance Program to provide the General Fund portion of the increased cost of health insurance in accordance with the procedures contained in Part IV, State Salary/Compensation, Benefit, and Employment Policy, of this Act.

5. STATE GROUP HEALTH INSURANCE FUND

	2010-11	2011-12
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1	General Fund	1,740,900	1,740,900
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2 **(1) Group Health Insurance:** The above General Fund appropriation is provided
3 to support a dependent subsidy for full-time employees of quasi-governmental employers,
4 excluding state agencies, participating in the State Group Health Insurance program. To
5 participate in this fund, each quasi-governmental employer must certify to the Secretary
6 of the Personnel Cabinet that no funds received from the pool are being utilized to fund
7 any benefits for persons other than full-time employees.

8 **TOTAL - PERSONNEL CABINET**

9		2010-11	2011-12
10	General Fund	39,619,900	62,619,900
11	Restricted Funds	54,748,100	56,646,100
12	TOTAL	94,368,000	119,266,000

13 **K. POSTSECONDARY EDUCATION**

14 **Budget Units**

15 **1. COUNCIL ON POSTSECONDARY EDUCATION**

16		2010-11	2011-12
17	General Fund (Tobacco)	5,167,100	4,737,600
18	General Fund	51,675,900	48,627,700
19	Restricted Funds	8,600,700	8,618,200
20	Federal Funds	17,352,000	18,352,000
21	TOTAL	82,795,700	80,335,500

22 **(1) Carry Forward of General Fund Appropriation Balance:** Notwithstanding
23 KRS 45.229, the General Fund appropriation in fiscal year 2009-2010 and fiscal year
24 2010-2011 to the Adult Education and Literacy Funding Program shall not lapse and shall
25 carry forward.

26 Notwithstanding KRS 45.229, the General Fund appropriation in fiscal year 2009-
27 2010 and fiscal year 2010-2011 to the Science and Technology Funding Program shall

1 not lapse and shall carry forward.

2 **(2) Interest Earnings Transfer from the Strategic Investment and Incentive**
 3 **Trust Fund Accounts:** Notwithstanding KRS 164.7911, 164.7913, 164.7915, 164.7917,
 4 164.7919, 164.7921, 164.7923, 164.7925, and 164.7927, any expenditures from the
 5 Strategic Investment and Incentive Trust Fund accounts in excess of appropriated
 6 amounts by the Council on Postsecondary Education shall be subject to KRS 48.630.

7 **(3) Ovarian Cancer:** Notwithstanding KRS 164.476(1), General Fund (Tobacco)
 8 moneys in the amount of \$775,000 in each fiscal year shall be allotted from the Lung
 9 Cancer Research Fund to the Ovarian Cancer Screening Outreach Program at the
 10 University of Kentucky.

11 **(4) Postsecondary Education Debt:** Notwithstanding KRS 45.750 to 45.810, in
 12 order to lower the cost of borrowing, any university that has issued or caused to be issued
 13 debt obligations through a not-for-profit corporation or a municipality or county
 14 government for which the rental or use payments of the university substantially meet the
 15 debt service requirements of those debt obligations is authorized to refinance those debt
 16 obligations if the principal amount of the debt obligations is not increased and the rental
 17 payments of the university are not increased. Any funds used by a university to meet debt
 18 obligations issued by a university pursuant to this subsection shall be subject to
 19 interception of state-appropriated funds pursuant to KRS 164A.608.

20 **(5) Washington, D.C. Internship Program:** Included in the above General Fund
 21 appropriation is \$86,700 in fiscal year 2010-2011 and \$85,800 in fiscal year 2011-2012
 22 for scholarships to the Washington Center for Internships and Academic Seminars.

23 **(6) Adult Education:** Included in the above General Fund appropriation is
 24 \$22,246,200 in fiscal year 2010-2011 and \$22,023,800 in fiscal year 2011-2012 for the
 25 Kentucky Adult Education Funding Program.

26 **(7) Contract Spaces:** Included in the above General Fund appropriation is
 27 \$4,713,300 in fiscal year 2010-2011 and \$4,886,700 in fiscal year 2011-2012 for the

Contract Spaces Program.

(8) Veterinary Medicine: If sufficient General Fund is not provided to fully fund 164 veterinary slots, the Council on Postsecondary Education shall fully fund the 164 slots out of the Council's base budget.

(9) Optometry Slots: If sufficient General Fund is not provided to fully fund 44 optometry slots, the Council on Postsecondary Education shall fully fund the 44 slots out of the Council's base budget.

2. KENTUCKY HIGHER EDUCATION ASSISTANCE AUTHORITY

	2010-11	2011-12
General Fund (Tobacco)	1,000,000	1,000,000
General Fund	189,937,000	190,517,100
Restricted Funds	22,338,600	25,621,500
Federal Funds	2,470,600	2,477,300
TOTAL	215,746,200	219,615,900

(1) College Access Program: Notwithstanding KRS 154A.130(4), included in the above General Fund appropriation is \$59,358,000 in fiscal year 2010-2011 and \$58,764,400 in fiscal year 2011-2012 for the College Access Program.

(2) Kentucky Tuition Grant Program: Notwithstanding KRS 154A.130(4), included in the above General Fund appropriation is \$31,989,000 in fiscal year 2010-2011 and \$31,669,100 in fiscal year 2011-2012 for the Kentucky Tuition Grant Program.

(3) Teacher Scholarship Program: Notwithstanding KRS 154A.130(4), included in the above General Fund appropriation is \$1,750,400 in fiscal year 2010-2011 and \$1,732,800 in fiscal year 2011-2012 for the Teacher Scholarship Program.

(4) Kentucky National Guard Tuition Assistance Program: Notwithstanding KRS 154A.130(4), included in the above General Fund appropriation is \$4,947,600 in fiscal year 2010-2011 and \$4,898,100 in fiscal year 2011-2012 for the National Guard Tuition Assistance Program.

(5) **Kentucky Education Excellence Scholarships (KEES):** Included in the above General Fund appropriation is \$89,979,700 in fiscal year 2010-2011 and \$91,579,900 in fiscal year 2011-2012 for the Kentucky Educational Excellence Scholarships (KEES). Included in the above Restricted Funds appropriation is \$1,899,500 in fiscal year 2010-2011 and \$2,307,600 in fiscal year 2011-2012 for KEES.

(6) **Work Study:** Included in the above General Fund appropriation is \$837,200 in fiscal year 2010-2011 and \$828,800 in fiscal year 2011-2012 for the Work Study Program.

(7) **Excess Lottery Revenues:** Lottery revenues transferred to the Kentucky Higher Education Assistance Authority in excess of the sum of the General Fund amounts set forth in subsections (1), (2), (3), (4), and (5) of this section shall be allocated in accordance with KRS 154A.130(4)(b) and Part III, 28., of this Act. If the amount allocated to the KEES program exceeds the amount needed to fully fund KEES at the statutory individual award amounts, all excess funds shall be transferred to the KEES Reserve Trust Fund.

3. **EASTERN KENTUCKY UNIVERSITY**

	2010-11	2011-12
General Fund	68,864,600	72,221,000
Restricted Funds	143,921,700	147,939,800
Federal Funds	78,281,700	77,905,600
TOTAL	291,068,000	298,066,400

(1) **Community Operations Board:** Included in the above General Fund appropriation is \$200,000 in fiscal year 2010-2011 and \$200,000 in fiscal year 2011-2012 to provide funds to the Community Operations Board for personnel and programmatic operations of the conferencing, meeting, and community areas, and the performing arts center located in Business/Technology Center, Phase II. The Business/Technology Center, Phase II shall be governed by the Community Operations Board. Members of the

board shall serve without compensation and shall not be reimbursed for expenses incurred in performance of their duties. The board shall establish policies and procedures for board operations and for facility use. The board shall make all decisions regarding use of the Business/Technology Center, Phase II including the conferencing and community areas and the performing arts center and shall make all decisions regarding personnel and programmatic operations of the conferencing and community areas and the performing arts center. The board is attached to Eastern Kentucky University for administrative purposes, and the university shall provide all facility maintenance and operations costs.

4. KENTUCKY STATE UNIVERSITY

	2010-11	2011-12
General Fund	24,881,500	25,146,800
Restricted Funds	25,586,600	26,816,800
Federal Funds	20,085,000	18,405,600
TOTAL	70,553,100	70,369,200

(1) Debt Service: Included in the above General Fund appropriation is \$960,100 in fiscal year 2010-2011 for debt service for previously issued bonds.

5. MOREHEAD STATE UNIVERSITY

	2010-11	2011-12
General Fund	42,761,100	44,363,000
Restricted Funds	82,494,900	87,081,600
Federal Funds	78,164,800	77,383,400
TOTAL	203,420,800	208,828,000

(1) Debt Service: Included in the above General Fund appropriation is \$1,039,600 in fiscal year 2010-2011 and \$542,100 in fiscal year 2011-2012 for debt service for previously issued bonds.

6. MURRAY STATE UNIVERSITY

	2010-11	2011-12
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1	General Fund	48,919,900	51,288,200
2	Restricted Funds	95,280,700	102,592,100
3	Federal Funds	18,728,400	15,642,800
4	TOTAL	162,929,000	169,523,100

5 **(1) Breathitt Veterinary Center:** Included in the above General Fund
6 appropriation is \$392,000 in fiscal year 2010-2011 and \$392,000 in fiscal year 2011-2012
7 for the Breathitt Veterinary Center at Murray State University. The funds provided in this
8 subsection are in addition to existing appropriations for the center contained in Murray
9 State University's General Fund-supported operating budget. Notwithstanding KRS
10 48.130 and 48.600 and Part VI of this Act, the appropriation set forth in this subsection
11 shall not be reduced.

12 **7. NORTHERN KENTUCKY UNIVERSITY**

13		2010-11	2011-12
14	General Fund	50,301,100	50,713,000
15	Restricted Funds	164,928,500	174,298,700
16	Federal Funds	20,099,200	17,111,300
17	TOTAL	235,328,800	242,123,000

18 **(1) Debt Service:** Included in the above General Fund appropriation is
19 \$2,746,000 in fiscal year 2010-2011 and \$675,500 in fiscal year 2011-2012 for debt
20 service for previously issued bonds.

21 **8. UNIVERSITY OF KENTUCKY**

22		2010-11	2011-12
23	General Fund (Tobacco)	250,000	250,000
24	General Fund	290,414,700	303,199,200
25	Restricted Funds	1,924,530,000	1,997,699,000
26	Federal Funds	231,618,800	214,395,200
27	TOTAL	2,446,813,500	2,515,543,400

1 **(1) Debt Service:** Included in the above General Fund appropriation is
 2 \$1,370,600 in fiscal year 2010-2011 for debt service for previously issued bonds for the
 3 University of Kentucky and for Lexington Community College.

4 **(2) Mining Engineering Scholarship Program:** Notwithstanding KRS 45.4592,
 5 included in the above General Fund appropriation is \$300,000 in each fiscal year from the
 6 Local Government Economic Development Fund for mining engineering scholarships.

7 **(3) Robinson Scholars Program:** Notwithstanding KRS 45.4592, included in the
 8 above General Fund appropriation is \$1,000,000 in fiscal year 2010-2011 and \$1,000,000
 9 in fiscal year 2011-2012 from the Local Government Economic Development Fund for
 10 the Robinson Scholars Program.

11 **(4) University of Kentucky Diagnostic Laboratories:** Included in the above
 12 General Fund appropriation is \$392,000 in fiscal year 2010-2011 and \$392,000 in fiscal
 13 year 2011-2012 for the diagnostic laboratories at the University of Kentucky. The funds
 14 provided in this subsection are in addition to existing appropriations for the laboratories
 15 contained in the University of Kentucky's General Fund-supported operating budget.
 16 Notwithstanding KRS 48.130 and 48.600 and Part VI of this Act, the appropriation set
 17 forth in this subsection shall not be reduced.

18 **9. UNIVERSITY OF LOUISVILLE**

19		2010-11	2011-12
20	General Fund	169,637,800	177,715,600
21	Restricted Funds	662,096,300	680,791,600
22	Federal Funds	134,458,800	124,381,800
23	TOTAL	966,192,900	982,889,000

24 **(1) Debt Service:** Included in the above General Fund appropriation is
 25 \$7,423,800 in fiscal year 2010-2011 and \$7,147,600 in fiscal year 2011-2012 for debt
 26 service for previously issued bonds.

27 **(2) Quality and Charity Care Trust Agreement:** Included in the above General

Fund appropriation is \$19,918,100 in fiscal year 2010-2011 and \$19,718,900 in fiscal year 2011-2012 to fulfill the Commonwealth's contractual obligation relating to indigent care furnished via the Quality and Charity Care Trust Agreement.

Notwithstanding KRS 45.229, the General Fund appropriation related to the Quality and Charity Trust Agreement in fiscal year 2010-2011 shall not lapse but shall carry forward.

10. WESTERN KENTUCKY UNIVERSITY

	2010-11	2011-12
General Fund	74,297,800	77,377,300
Restricted Funds	233,637,900	242,421,200
Federal Funds	48,161,900	45,472,800
TOTAL	356,097,600	365,271,300

(1) Debt Service: Included in the above General Fund appropriation is \$549,800 in fiscal year 2010-2011 for debt service for previously issued bonds.

11. KENTUCKY COMMUNITY AND TECHNICAL COLLEGE SYSTEM

	2010-11	2011-12
General Fund	195,194,200	204,706,700
Restricted Funds	345,583,100	365,098,500
Federal Funds	204,404,900	213,068,200
TOTAL	745,182,200	782,873,400

(1) Firefighters Foundation Program Fund: Included in the above Restricted Funds appropriation is \$30,433,400 in fiscal year 2010-2011 and \$31,283,500 in fiscal year 2011-2012 for the Firefighters Foundation Program Fund. Notwithstanding KRS 95A.250(1), supplemental payments for each qualified professional firefighter under the Firefighters Foundation Program Fund shall be \$3,100 in fiscal year 2010-2011 and \$3,100 in fiscal year 2011-2012.

(2) Firefighters Training Center Fund: Notwithstanding KRS 95A.262(3),

1 \$500,000 in Restricted Funds is provided in each fiscal year of the 2010-2012 fiscal
2 biennium for the Firefighters Training Center Fund.

3 **(3) Corrections Education:** The funding for education programs at the
4 Department of Corrections facilities, totaling \$5,348,100 in each fiscal year, is located in
5 the Adult Correctional Institutions budget unit. The faculty and staff employed by
6 Kentucky Community and Technical College System to provide educational services and
7 support to inmates shall be transferred to the Department of Corrections at the beginning
8 of fiscal year 2010-2011.

9 **(4) Conveyance of Property:** (a) Notwithstanding KRS Chapter 45A, 45.777,
10 and 164A.575(7), the Kentucky Community and Technical College System may convey
11 to the Hopkins County Board of Education fee simple title to certain of its real property
12 and improvements at the Madisonville Community College Technical Campus that have
13 become surplus to Madisonville Community College with the completion of construction
14 of the new Energy and Advanced Technology Center facility on the main campus of the
15 college. The conveyance shall be completed at a price that is acceptable to both parties.
16 Madisonville Community College shall use the proceeds from the conveyance of the real
17 property for scholarships to students attending Madisonville Community College.

18 (b) Notwithstanding KRS Chapter 45A, 45.777, and 164A.575(7), the Kentucky
19 Community and Technical College System may convey to Northern Kentucky University
20 fee simple title to certain of its real property and improvements located in Campbell
21 County that have become surplus to Gateway Community and Technical College with the
22 creation of the new Boone Campus of Gateway Community and Technical College. The
23 conveyance shall be completed at a price that is acceptable to both parties. Gateway
24 Community and Technical College shall use the proceeds from the conveyance of the real
25 property to support a capital project for Gateway Community and Technical College.

26 (c) Notwithstanding KRS Chapter 45A, 45.777, and 164A.575(7), the Kentucky
27 Community and Technical College System may dispose of certain real property and

1 improvements located in Covington, Kentucky that will become surplus to Gateway
2 Community and Technical College with the completion of the Advanced Manufacturing
3 Technology Facility at the Boone County Campus. Gateway Community and Technical
4 College shall use all proceeds and interest from the disposition of the real property to
5 support a capital project for Gateway Community and Technical College in the city limits
6 of Covington, Kentucky.

7 (d) Notwithstanding KRS Chapter 45A, 45.777, and 164A.575, the Tourism, Arts
8 and Heritage Cabinet's Department of Parks shall convey to the Kentucky Community
9 and Technical College System (KCTCS) fee simple title to certain of its real property and
10 improvements currently operating at General Butler State Resort Park in Carrollton,
11 Kentucky. This property is deemed to be surplus to the needs of the Cabinet upon the
12 cancellation of a lease between the Department of Parks and Cardinal Hill Hospital. The
13 conveyance shall be completed at a value of \$600,000 paid to Cardinal Hill Hospital for
14 the surrender of its lease. The \$600,000 is composed of \$300,000 of KCTCS Restricted
15 Funds and \$300,000 of Other Funds that have been raised for this purpose. KCTCS will
16 receive approximately 20 to 30 acres in this conveyance.

17 **(5) Salary Increases:** It is the intent of the 2010 General Assembly that
18 employees of the Kentucky Community and Technical College System (KCTCS) who are
19 in the University of Kentucky personnel system shall be treated the same, with respect to
20 compensation plans and salary increases implemented by KCTCS, as all other employees
21 of KCTCS. Specifically, KCTCS shall not utilize the practice of providing lower salary
22 increases to KCTCS employees who are in the University of Kentucky personnel system
23 in order to offset money paid to the University of Kentucky for the cost of providing
24 health insurance to these employees.

25 KCTCS shall make no distinction in compensation plans or salary increases among
26 its employees based upon the personnel system to which they belong, except that KCTCS
27 may make up the lower salary increases given in the past to those employees of KCTCS

1 in the University of Kentucky personnel system which were based upon reimbursing the
 2 University of Kentucky for the cost of providing health insurance.

3 **TOTAL - POSTSECONDARY EDUCATION**

4		2010-11	2011-12
5	General Fund (Tobacco)	6,417,100	5,987,600
6	General Fund	1,206,885,600	1,245,875,600
7	Restricted Funds	3,708,999,000	3,858,979,000
8	Federal Funds	853,826,100	824,596,000
9	TOTAL	5,776,127,800	5,935,438,200

10 **L. PUBLIC PROTECTION CABINET**

11 **Budget Units**

12 **1. SECRETARY**

13		2010-11	2011-12
14	General Fund	265,100	262,500
15	Restricted Funds	4,691,700	4,766,600
16	TOTAL	4,956,800	5,029,100

17 **2. BOXING AND WRESTLING AUTHORITY**

18		2010-11	2011-12
19	Restricted Funds	138,300	140,100

20 **3. ALCOHOLIC BEVERAGE CONTROL**

21		2010-11	2011-12
22	General Fund	803,000	795,000
23	Restricted Funds	4,896,800	5,024,100
24	TOTAL	5,699,800	5,819,100

25 **4. CHARITABLE GAMING**

26		2010-11	2011-12
27	Restricted Funds	3,080,900	3,154,300

1 **5. BOARD OF CLAIMS/CRIME VICTIMS' COMPENSATION**

2 **BOARD**

3		2010-11	2011-12
4	General Fund	620,800	614,600
5	Restricted Funds	1,758,600	1,785,800
6	Federal Funds	508,700	508,700
7	TOTAL	2,888,100	2,909,100

8 **6. FINANCIAL INSTITUTIONS**

9		2010-11	2011-12
10	Restricted Funds	9,213,200	9,213,200

11 **7. HORSE RACING COMMISSION**

12		2010-11	2011-12
13	General Fund	2,999,000	2,969,000
14	Restricted Funds	26,139,600	26,080,400
15	TOTAL	29,138,600	29,049,400

16 **8. HOUSING, BUILDINGS AND CONSTRUCTION**

17		2010-11	2011-12
18	General Fund	2,182,400	2,160,600
19	Restricted Funds	14,041,100	14,711,300
20	Federal Funds	1,150,100	157,900
21	TOTAL	17,373,600	17,029,800

22 **(1) Funding Flexibility:** Notwithstanding KRS 198B.090(10), 198B.095(2),
 23 198B.676(2), 227.620(5), 227A.050(1) and (2), 236.130(3), and 318.136, the Department
 24 of Housing, Buildings and Construction may expend, with the approval of any affected
 25 boards, any Restricted Funds for programs administered by the Department. The
 26 Department shall return any funds transferred from a board back to the board within the
 27 fiscal biennium.

1 **9. INSURANCE**

2		2010-11	2011-12
3	General Fund (Tobacco)	18,084,700	16,581,400
4	Restricted Funds	19,796,300	19,959,000
5	TOTAL	37,881,000	36,540,400

6 **(1) Tobacco Settlement Funds:** Included in the above General Fund (Tobacco)
7 appropriation is \$18,084,700 in fiscal year 2010-2011 and \$16,581,400 in fiscal year
8 2011-2012 for the Kentucky Access Program.

9 **(2) Insurance License Fee and Tax:** Notwithstanding any other statutory
10 provision to the contrary, no license fee or tax imposed under KRS 91A.080 shall apply
11 to premiums paid to insurance companies or surplus lines brokers by non-profit self-
12 insurance groups whose membership consists of cities, counties, charter county
13 governments, urban-county governments, consolidated local governments, school
14 districts, or any other political subdivisions of the Commonwealth.

15 **10. TAX APPEALS**

16		2010-11	2011-12
17	General Fund	384,000	380,200

18 **TOTAL - PUBLIC PROTECTION CABINET**

19		2010-11	2011-12
20	General Fund (Tobacco)	18,084,700	16,581,400
21	General Fund	7,254,300	7,181,900
22	Restricted Funds	83,756,500	84,834,800
23	Federal Funds	1,658,800	666,600
24	TOTAL	110,754,300	109,264,700

25 **M. TOURISM, ARTS AND HERITAGE CABINET**

26 **Budget Units**

27 **1. SECRETARY**

1		2010-11	2011-12
2	General Fund	2,761,700	2,734,100
3	Restricted Funds	10,088,900	10,111,900
4	TOTAL	12,850,600	12,846,000

5 **(1) Outdoor Drama Grants:** Included in the above Restricted Funds
6 appropriation is \$405,000 in each fiscal year for the purpose of supporting the following
7 grants: Someday Outdoor Drama, \$20,000 in each fiscal year; Stephen Foster, \$81,000 in
8 each fiscal year; Pioneer School of Drama, \$28,500 in each fiscal year; Music Theater of
9 Louisville, \$9,000 in each fiscal year; Pine Knob Theater, \$29,500 in each fiscal year;
10 Kincaid Regional Theater, \$27,500 in each fiscal year; Twilight Cabaret, \$9,000 in each
11 fiscal year; Horse Cave Theater, \$60,000 in each fiscal year; Jenny Wiley, \$39,500 in
12 each fiscal year; Indian Fort Drama of Berea, \$25,000 in each fiscal year; Fort Harrod
13 Drama Productions, \$41,000 in each fiscal year; Greenbo Lake State Resort Park,
14 \$10,000 in each fiscal year; and Russell County Ruscotown Players Production, \$25,000
15 in each fiscal year. If the agency finds that an Outdoor Drama grant recipient no longer
16 exists, the appropriation for that grant shall lapse to the credit of the Tourism, Meeting,
17 and Convention Marketing Fund established under KRS 142.406.

18 **(2) International Mystery Writers' Festival Grant:** Included in the above
19 General Fund appropriation is \$150,000 in fiscal year 2010-2011 and \$150,000 in fiscal
20 year 2011-2012 for a grant to the RiverPark Center in Owensboro to be used for the
21 support of the International Mystery Writers' Festival. This grant is subject to a one-to-
22 one dollar match from other funds that shall be certified by the RiverPark Center to the
23 Office of the Secretary.

24 **(3) Unexpended Restricted Funds:** Notwithstanding KRS 45.229, included in
25 the above Restricted Funds appropriation is \$255,700 in fiscal year 2010-2011 and
26 \$255,700 in fiscal year 2011-2012 from unexpended coal severance funds from the Local
27 Government Economic Development Fund, Multi-County Fund, from prior fiscal years

for Tourism Marketing and Development on behalf of the coal-producing counties. No less than \$200,000 in each fiscal year shall be allocated from Tourism Marketing and Development on behalf of the coal-producing counties for fees for professional artists and entertainers performing on the Kentucky Music Trail. The Cabinet shall promote this assistance opportunity for professional artists and entertainers through its Web site and other sources, and shall send notice to the organizations this opportunity may impact. Any funds remaining after the allocation of funds for fees for professional artists and entertainers may be used for other tourism and marketing programs on behalf of the coal-producing counties.

2. ARTISANS CENTER

	2010-11	2011-12
General Fund	300,800	297,800
Restricted Funds	1,728,100	1,750,900
Road Fund	350,000	350,000
TOTAL	2,378,900	2,398,700

3. TRAVEL

	2010-11	2011-12
General Fund	3,292,600	3,259,700
Restricted Funds	100,000	100,000
TOTAL	3,392,600	3,359,700

(1) **Bluegrass State Games:** Included in the above General Fund appropriation is \$50,000 in each fiscal year for the Bluegrass State Games.

4. PARKS

	2010-11	2011-12
General Fund	29,901,400	30,133,100
Restricted Funds	53,296,200	54,187,300
TOTAL	83,197,600	84,320,400

1 **(1) Park Capital Maintenance and Renovation Fund:** Notwithstanding KRS
 2 148.810, no transfer to the Park Capital Maintenance and Renovation Fund shall be made.

3 **(2) Debt Service:** Included in the above General Fund appropriation is \$275,000
 4 in fiscal year 2010-2011 and \$803,000 in fiscal year 2011-2012 for new debt service to
 5 support new bonds as set forth in Part II, Capital Projects Budget, of this Act.

6 **5. HORSE PARK COMMISSION**

	2010-11	2011-12
8 General Fund	3,328,200	2,344,600
9 Restricted Funds	7,492,000	7,608,600
10 TOTAL	10,820,200	9,953,200

11 **6. STATE FAIR BOARD**

	2010-11	2011-12
13 Restricted Funds	44,342,600	45,251,500

14 **(1) Debt Service:** Included in the above Restricted Funds appropriation is
 15 \$4,423,600 in fiscal year 2010-2011 and \$4,422,300 in fiscal year 2011-2012 for
 16 previously issued bonds.

17 **7. FISH AND WILDLIFE RESOURCES**

	2010-11	2011-12
19 Restricted Funds	30,693,400	31,226,600
20 Federal Funds	17,311,300	17,581,400
21 TOTAL	48,004,700	48,808,000

22 **8. HISTORICAL SOCIETY**

	2010-11	2011-12
24 General Fund	6,099,600	6,038,600
25 Restricted Funds	702,700	724,900
26 Federal Funds	444,700	45,200
27 TOTAL	7,247,000	6,808,700

1 **9. ARTS COUNCIL**

2		2010-11	2011-12
3	General Fund	3,075,800	3,045,100
4	Restricted Funds	153,900	153,900
5	Federal Funds	805,700	805,700
6	TOTAL	4,035,400	4,004,700

7 **(1) Open Meetings:** Any entity involved in producing or financing arts on a local
8 or statewide basis, since the inception of fiscal year 2004-2005, which received a total of
9 \$25,000 or less as a result of appropriations or grants from state or local governmental
10 units, shall be exempt from the requirements of KRS 61.800 to 61.850.

11 **(2) Open Records:** Any entity involved in producing or financing arts on a local
12 or statewide basis, since the inception of fiscal year 2004-2005, which received a total of
13 \$25,000 or less as a result of appropriations or grants from state or local governmental
14 units shall be exempt from the requirements of KRS 61.870 to 61.884.

15 **10. HERITAGE COUNCIL**

16		2010-11	2011-12
17	General Fund	768,600	761,000
18	Restricted Funds	273,700	278,100
19	Federal Funds	764,700	781,900
20	TOTAL	1,807,000	1,821,000

21 **11. KENTUCKY CENTER FOR THE ARTS**

22		2010-11	2011-12
23	General Fund	916,900	907,700

24 **TOTAL - TOURISM, ARTS AND HERITAGE CABINET**

25		2010-11	2011-12
26	General Fund	50,445,600	49,521,700
27	Restricted Funds	148,871,500	151,393,700

1	Federal Funds	19,326,400	19,214,200
2	Road Fund	350,000	350,000
3	TOTAL	218,993,500	220,479,600

4 **PART II**

5 **CAPITAL PROJECTS BUDGET**

6 **(1) Capital Construction Fund Appropriations and Reauthorizations:**

7 Moneys in the Capital Construction Fund are appropriated for the following capital
8 projects subject to the conditions and procedures in this Act. Items listed without
9 appropriated amounts are previously authorized for which no additional amount is
10 required. These items are listed in order to continue their current authorization into the
11 2010-2012 fiscal biennium. Unless otherwise specified, reauthorized projects shall
12 conform to the original authorization enacted by the General Assembly.

13 **(2) Expiration of Existing Line-Item Capital Construction Projects:** All

14 appropriations to existing line-item capital construction projects expire on June 30, 2010,
15 unless reauthorized in this Act with the following exceptions: (a) A construction or
16 purchase contract for the project shall have been awarded by June 30, 2010; (b)
17 Permanent financing or a short-term line of credit sufficient to cover the total authorized
18 project scope shall have been obtained in the case of projects authorized for bonds,
19 provided that the authorized project completes an initial draw on the line of credit within
20 the fiscal biennium immediately subsequent to the original authorization; and (c) Grant or
21 loan agreements, if applicable, shall have been finalized and properly signed by all
22 necessary parties by June 30, 2010. Notwithstanding the criteria set forth in this
23 subsection, the disposition of 2008-2010 fiscal biennium nonstatutory appropriated
24 maintenance pools funded from Capital Construction Investment Income shall remain
25 subject to the provisions of KRS 45.770(5)(c).

26 **(3) Bond Proceeds Investment Income:** Investment income earned from bond

27 proceeds beyond that which is required to satisfy Internal Revenue Service arbitrage

1 rebates and penalties and excess bond proceeds upon the completion of a bond-financed
 2 capital project shall be used to pay debt service according to the Internal Revenue Service
 3 Code and accompanying regulations.

4 **(4) Appropriations for Projects Not Line-Itemized:** Inasmuch as the
 5 identification of specific projects in a variety of areas of the state government cannot be
 6 ascertained with absolute certainty at this time, amounts are appropriated for specific
 7 purposes to projects which are not individually identified in this Act in the following
 8 areas: Kentucky Infrastructure Authority Water and Sewer Grant Projects, and Broadband
 9 Grant Projects; Kentucky River Authority Locks and Dams Renovation and Maintenance
 10 Pool; Repair of State-Owned Dams; Land Acquisition; Property Demolition; Guaranteed
 11 Energy Savings Performance Contract projects; Wetland and Stream Mitigation;
 12 Economic Development projects, which shall include authorization for the High-Tech
 13 Construction Pool and the High-Tech Investment Pool; Infrastructure projects; Capital
 14 Renewal and Maintenance Pool; Research Capital Match Program Pool; Heritage Land
 15 Conservation projects; Flood Control projects; Parks Renovation Pool; Parks
 16 Development Pool; Kentucky Center for the Arts Major Maintenance Renovation Pool;
 17 Bond-funded maintenance pools; Parking Garage Maintenance Pool; the Postsecondary
 18 Education Institutions Technology and Equipment Pool; the Postsecondary Education
 19 Institutions Research Support - Lab Renovation and Equipment Pool; and University
 20 Major Items of Equipment Pools. Any projects estimated to cost over \$600,000 and
 21 equipment estimated to cost over \$200,000 shall be reported to the Capital Projects and
 22 Bond Oversight Committee.

23 **(5) Bond Issues for Tobacco and Non-Coal Producing Counties:** Any
 24 authorized bond project from the Infrastructure for Economic Development Fund for
 25 Tobacco Counties, Water and Sewer Resource Development Fund for Tobacco Counties,
 26 and Infrastructure for Economic Development Fund for Non-Coal Producing Counties
 27 may be financed from any associated bond issue for the Infrastructure for Economic

Development Fund for Tobacco Counties, Water and Sewer Resource Development Fund for Tobacco Counties, and Infrastructure for Economic Development Fund for Non-Coal Producing Counties.

(6) Capital Construction and Equipment Purchase Contingency Account: If funds in the Capital Construction and Equipment Purchase Contingency Account are not sufficient, then expenditures of the fund are to be paid first from the General Fund Surplus Account (KRS 48.700), if available, or from the Budget Reserve Trust Fund Account (KRS 48.705), subject to the conditions and procedures provided in this Act.

(7) Emergency Repair, Maintenance, and Replacement Account: If funds in the Emergency Repair, Maintenance, and Replacement Account are not sufficient, then expenditures of the fund are to be paid first from the General Fund Surplus Account (KRS 48.700), if available, or from the Budget Reserve Trust Fund Account (KRS 48.705), subject to the conditions and procedures provided in this Act.

A. GENERAL GOVERNMENT

Budget Units	2010-11	2011-12
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1. DEPARTMENT OF VETERANS' AFFAIRS

001. Western Kentucky Veterans' Center - Alzheimer's/General

Care Unit - Additional

Federal Funds	-0-	2,587,000
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Bond Funds	-0-	1,393,000
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TOTAL	-0-	3,980,000
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002. Maintenance Pool - 2010-2012

Investment Income	100,000	100,000
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003. Construct Fourth State Veterans' Nursing Home Reauthorization

(\$10,500,000 Bond Funds, \$19,500,000 Federal Funds)

004. Construct State Veterans' Cemetery - Southeast Kentucky

(Leslie County) Reauthorization (\$200,000 General Fund,

\$6,000,000 Federal Funds)

2. KENTUCKY INFRASTRUCTURE AUTHORITY

(1) Project Revision Authorization: Any governmental agency who has received an appropriation from the General Assembly for an infrastructure project, in the current budget or any prior year budget, may certify to the Executive Director of the Kentucky Infrastructure Authority that a specified infrastructure project is no longer an active infrastructure project or has been completed and may request reallocation of the remaining infrastructure project funds to another infrastructure project.

001. KIA Fund A - Federally Assisted Wastewater Program -

2010-2012

Federal Funds	60,000,000	30,000,000
Bond Funds	10,000,000	10,000,000
Agency Bonds	100,000,000	-0-
TOTAL	170,000,000	40,000,000

(1) Permitted Use of Funds: The Bond Funds shall be used to meet the state match requirement for Federal Funds for the Federally Assisted Wastewater Revolving Loan Fund Program.

002. KIA Fund F - Drinking Water Revolving Loan Program

- 2010-2012

Federal Funds	40,000,000	20,000,000
Bond Funds	6,000,000	6,000,000
Agency Bonds	25,000,000	-0-
TOTAL	71,000,000	26,000,000

(1) Permitted Use of Funds: The Bond Funds shall be used to meet the state match requirement for Federal Funds for the Safe Drinking Water State Revolving Loan Fund Program.

003. KIA Fund A - Federally Assisted Wastewater Program Reauthorization

1 (\$200,000,000 Agency Bonds)

2 **004. KIA Fund F - Drinking Water Revolving Loan Program**

3 Reauthorization (\$30,000,000 Agency Bonds)

4 **005. Infrastructure for Economic Development Fund for Coal-Producing**
5 Counties - 2006-2008 - Additional

6 Bond Funds 955,100 -0-

7 **(1) Additional Support for Previously Overprogrammed Water and**
8 **Wastewater Infrastructure Pools:** The above project provides additional bond support
9 for the bond pool authorized in 2006 Ky. Acts ch. 252, Part II, A., 2., 004. and line-item
10 projects set out in 2006 Ky. Acts ch. 252, Part II, N..

11 **006. Infrastructure for Economic Development Fund for Non-Coal**
12 Producing Counties - 2006-2008 - Additional

13 Bond Funds 1,250,000 -0-

14 **(1) Additional Support for Previously Overprogrammed Water and**
15 **Wastewater Infrastructure Pools:** The above project provides additional bond support
16 for the bond pool authorized in 2006 Ky. Acts ch. 252, Part II, A., 2., 003. and line-item
17 projects set out in 2006 Ky. Acts ch. 252, Part II, O..

18 **007. Infrastructure for Economic Development Fund for Coal-Producing**
19 Counties - 2008-2010 - Additional

20 Bond Funds 4,240,000 -0-

21 **(1) Additional Support for Previously Overprogrammed Water and**
22 **Wastewater Infrastructure Pools:** The above project provides additional bond support
23 for the bond pool authorized in 2008 Ky. Acts ch. 123, Section 3, 004. on page 422 as
24 amended by 2008 Ky. Acts ch. 174, Section 2 on page 797 and line-item projects set out
25 in 2008 Ky. Acts ch. 191, Section 1 and in 2009 Ky. Acts ch. 50, Section 1.

26 **008. Infrastructure for Economic Development Fund for Non-Coal**
27 Producing Counties - 2008-2010 - Additional

1	Bond Funds	10,584,700	-0-
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2 (1) Additional Support for Previously Overprogrammed Water and

3 **Wastewater Infrastructure Pools:** The above project provides additional bond support
4 for the bond pool authorized in 2008 Ky. Acts ch. 123, Section 3, 005. on page 422 as
5 amended by 2008 Ky. Acts ch. 174, Section 2 on page 797 and line-item projects set out
6 in 2008 Ky. Acts ch. 191, Section 2 and in 2009 Ky. Acts ch. 50, Section 2.

7 **009. Pineville Utility Commission - Rehabilitation - Replacement**

8 and/or Extension of Waterlines Reauthorization (\$900,000

9 Bond Funds)

10 (1) **Reauthorization and Purpose of Funds:** Notwithstanding any

11 statutory provision or agreement between a state agency and a local government to the
12 contrary, any fund balance remaining for grants to the Pineville Utility Commission for
13 replacement and/or extension of waterlines as appropriated in 2008 Ky. Acts ch. 191,
14 Section 1, Bell County, 003. and 2009 Ky. Acts ch. 50, Section 1, Bell County, 003. shall
15 be reauthorized and the funds may also be used for other sewer system upgrades.

16 **010. City of Richmond - Richmond Utilities Robert Martin Bypass**

17 Connector (WX21151005) Reauthorization and Reallocation

18 (\$750,000 Bond Funds)

19 **(1) Reauthorization and Reallocation:** The above project is authorized

20 from a reallocation of the City of Richmond - Duncannon Water Tower Utilities project
21 as set forth in 2008 Ky. Acts ch. 191, Section 2, Madison County, 004. and 2009 Ky. Acts
22 ch. 50, Section 2, Madison County, 004..

23 **011. City of Scottsville - Spring Valley Sewer Extension Project**

24 (SX21003026) Reauthorization and Reallocation (\$358,000

25 Bond Funds)

26 **(1) Reauthorization and Reallocation:** The above project is authorized

27 from a reallocation of the City of Scottsville - Camp Courageous Water Line and Tank

project as set forth in 2006 Ky. Acts ch. 252, Part II, O., Allen County, 002. and the City of Scottsville - SX21003003 - Old Gallatin Road Sewer System Improvements project as set forth in 2006 Ky. Acts ch. 252, Part II, O., Allen County, 005..

012. Southeastern Water Association - Waterline Extensions 2010
 (WX21199103) Reauthorization and Reallocation (\$329,000
 Bond Funds)

(1) Reauthorization and Reallocation: The above project is authorized from a reallocation of the Southeastern Water Association - Sand Gap Road (WX21199069) project as set forth in 2008 Ky. Acts ch. 191, Section 2, Pulaski County, 008. and in 2009 Ky. Acts ch. 50, Section 2, Pulaski County, 008., the Southeastern Water Association - Little Rock Road/Big Rock Road Waterline Extensions project as set forth in 2008 Ky. Acts ch. 191, Section 2, Pulaski County, 010. and in 2009 Ky. Acts ch. 50, Section 2, Pulaski County, 010., and the Southeastern Water Association - Pee Ridge Road Waterline Extensions project as set forth in 2008 Ky. Acts ch. 191, Section 2, Pulaski County, 011. and in 2009 Ky. Acts ch. 50, Section 2, Pulaski County, 011..

013. Mayfield Electric and Water System - Ridgeway - Dunbar
 Sewer Rehabilitation (SX21083034) Reauthorization and
 Reallocation (\$96,000 Bond Funds)

(1) Reauthorization and Reallocation: The above project is authorized from a reallocation of Mayfield Electric and Water System - SX21083022 - 9th and Gardner project as set forth in 2006 Ky. Acts ch. 252, Part II, O., Graves County, 006..

014. Jessamine South Elkhorn Water District - Southeast Rural
 Jessamine Unserved Areas II Reauthorization and Reallocation
 (\$243,000 Bond Funds)

(1) Reauthorization and Reallocation: The above project is authorized from a reallocation of the Jessamine South Elkhorn Water District - Southeast Rural Jessamine Unserved Areas (WX21113004) project as set forth in 2005 Ky. Acts ch. 170,

1 Volume Ia, Part II, Infrastructure for Economic Development Fund for Tobacco Counties,
 2 Jessamine and the Jessamine South Elkhorn Water District - Tankersley Lane Water
 3 Lines Extension project as set forth in 2006 Ky. Acts ch. 252, Part II, P., Jessamine
 4 County, 009..

5 **015.** City of Salyersville - The Salyersville Water Security - Connect on Rt 40
 6 (WX21153516) Reauthorization and Reallocation (\$400,000 Bond Funds)

7 **(1) Reauthorization and Reallocation:** The above project is authorized from a
 8 reallocation of Magoffin County Water District - Magoffin Water/Paintsville Utilities
 9 Emergency Water Connect (WX21153022) as set forth in 2008 Ky. Acts ch. 191, Section
 10 1, Magoffin County, 002..

11 **016.** Vanceburg Electric Plant Board - Vanceburg CSO Renovate (SX21135014)
 12 Reauthorization and Reallocation (\$100,000 Bond Funds)

13 **(1) Reauthorization and Reallocation:** The above project is authorized from a
 14 reallocation of Vanceburg Electric Plant Board - AA Collector (SX21135012) as set forth
 15 in 2008 Ky. Acts ch. 191, Section 2, Lewis County, 004..

16 **017.** Hancock County Fiscal Court - Boling Chapel Community Fire Hydrant
 17 Extension (WX21091072) Reauthorization and Reallocation (\$75,000 Bond
 18 Funds)

19 **(1) Reauthorization and Reallocation:** The above project is authorized from a
 20 reallocation of Hancock County Fiscal Court - East Daviess County/Lewisport Area -
 21 Water Tower as set forth in 2006 Ky. Acts ch. 252, Part II, N., Hancock County, 002. and
 22 Hancock County Fiscal Court - Highway 60 East Water Tower Expansion as set forth in
 23 2006 Ky. Acts ch. 252, Part II, N., Hancock County, 005..

24 **018.** Hancock County Fiscal Court - Dukes Water Tower (WX21091025)
 25 Reauthorization and Reallocation (\$75,000 Bond Funds)

26 **(1) Reauthorization and Reallocation:** The above project is authorized from a
 27 reallocation of Hancock County Fiscal Court - East Daviess County/Lewisport Area -

1 Water Tower as set forth in 2006 Ky. Acts ch. 252, Part II, N., Hancock County, 002. and
 2 Hancock County Fiscal Court - Highway 60 East Water Tower Expansion as set forth in
 3 2006 Ky. Acts ch. 252, Part II, N., Hancock County, 005..

4 **019.** Hancock County Fiscal Court - (WX21091079) Reauthorization and
 5 Reallocation (\$100,000 Bond Funds)

6 **(1) Reauthorization and Reallocation:** The above project is authorized from a
 7 reallocation of Hancock County Fiscal Court - East Daviess County/Lewisport Area -
 8 Water Tower as set forth in 2006 Ky. Acts ch. 252, Part II, N., Hancock County, 002. and
 9 Hancock County Fiscal Court - Highway 60 East Water Tower Expansion as set forth in
 10 2006 Ky. Acts ch. 252, Part II, N., Hancock County, 005..

11 **3. MILITARY AFFAIRS**

12 **001.** Construct Armory Readiness Center - Burlington

13	Federal Funds	25,000,000	-0-
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14 **002.** Construct Armory Readiness Center - Owensboro

15	Restricted Funds	3,750,000	-0-
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16	Federal Funds	11,250,000	-0-
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17	TOTAL	15,000,000	-0-
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18 **003.** Construct Multi-Purpose Building - Bluegrass Station

19	Other Funds	15,000,000	-0-
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20 **(1) Authorization:** The above authorization is approved pursuant to KRS
 21 45.763.

22 **004.** Construct Field Maintenance Shop - Northern Kentucky

23	Federal Funds	12,000,000	-0-
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24 **005.** Construct Unheated Training and Equipment Site - WHFRTC

25	Federal Funds	12,000,000	-0-
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26 **006.** Construct Field Maintenance Shop 6 - Jackson

27	Federal Funds	10,000,000	-0-
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1	007. Construct Field Maintenance Shop 2 - London		
2	Federal Funds	10,000,000	-0-
3	008. Construct Joint Forces Readiness Center Phase I - Frankfort		
4	Federal Funds	9,500,000	-0-
5	009. Install Power Generators		
6	Federal Funds	4,800,000	-0-
7	010. Expand State Emergency Operations Center - Frankfort		
8	Federal Funds	4,000,000	-0-
9	011. Construct General Warehouse Building - Bluegrass Station		
10	Other Funds	3,700,000	-0-
11	(1) Authorization: The above authorization is approved pursuant to KRS		
12	45.763.		
13	012. Roof Replacement and Repair - Bluegrass Station		
14	Restricted Funds	2,500,000	-0-
15	013. Construct Administration Building - Disney Training Center		
16	Federal Funds	2,420,000	-0-
17	014. Extend Utility Lines - Bluegrass Station		
18	Restricted Funds	2,300,000	-0-
19	015. Parking Improvements - Bluegrass Station		
20	Restricted Funds	2,200,000	-0-
21	016. Maintenance Pool - 2010-2012		
22	Investment Income	1,000,000	1,000,000
23	017. Construct Joint Support Operations Center Phase IV		
24	Federal Funds	1,806,000	-0-
25	018. Construct Parts Warehouse - Bluegrass Station		
26	Restricted Funds	1,800,000	-0-
27	019. Construct Fire Rescue Training Center - WHFRTC		

1	Restricted Funds	1,500,000	-0-
2	020. Construct Vault - Bluegrass Station		
3	Restricted Funds	700,000	-0-
4	021. Construct Roadway and Sewage Plant - Bluegrass Station		
5	Restricted Funds	1,700,000	-0-
6	022. Install Backup Generators - Bluegrass Station		
7	Restricted Funds	1,000,000	-0-
8	023. Install Digital Fiber - Bluegrass Station		
9	Restricted Funds	1,500,000	-0-
10	024. Kenton County - Lease		
11	025. Fayette County - Lease		
12	026. Fayette/Clark County - Lease		
13	027. Fayette/Clark County - Lease		
14	028. Fayette/Clark County - Lease		
15	029. Construct Pole Barns at Bluegrass Station Reauthorization		
16	(\$2,200,000 Restricted Funds)		
17	030. Construct Field Maintenance Shop 1 Conversion Reauthorization		
18	(\$1,200,000 Federal Funds)		
19	031. Construct Field Maintenance Shop 8 Conversion Reauthorization		
20	(\$1,200,000 Federal Funds)		
21	032. Construct Multi-Purpose Machine Gun Range Wendell H.		
22	Ford Regional Training Center Reauthorization (\$850,000		
23	Federal Funds)		
24	4. DEPARTMENT FOR LOCAL GOVERNMENT		
25	001. Flood Control Matching Fund - 2010-2012		
26	Bond Funds	-0-	3,000,000
27	002. Franklin County - Lease		

1 **003.** Garrard County Fiscal Court - Renovation of Grand Theater
 2 and Improvements to Lancaster Public Square Reauthorization
 3 and Reallocation (\$1,500,000 Bond Funds)

4 **(1) Reauthorization, Reallocation, and Purpose of Funds:** The above
 5 project is authorized from a reallocation of the Herrington Lake State Park and Lodge -
 6 Design and Land Acquisition project as set forth in 2005 Ky. Acts ch. 173, Part II, B., 1.,
 7 003. The funds appropriated for the above project may be used for the renovation of the
 8 Grand Theater, the repayment of any line of credit used for the renovation, and for
 9 improvements to the public square in the city of Lancaster.

10 **004.** Bell County Fiscal Court - Projects and/or Equipment Reauthorization
 11 (\$1,100,000 Restricted Funds)

12 **(1) Reauthorization and Purpose of Funds:** Notwithstanding any
 13 statutory provision or agreement between a state agency and a local government to the
 14 contrary, any fund balance remaining for grants to the Bell County Fiscal Court for
 15 projects and/or equipment as appropriated in 2008 Ky. Acts ch. 123, Section 3, L., Bell
 16 County, 022., shall be reauthorized. The funds appropriated for the aforementioned
 17 project may also be used for operations.

18 **005.** City of Covington - Times Star Commons - Planning Reauthorization
 19 (\$750,000 Bond Funds and \$250,000 General Fund)

20 **(1) Reauthorization:** The above project from 2006 Ky. Acts ch. 252, Part
 21 II, P., Kenton County, 002. and 2006 Ky. Acts ch. 252, Part II, P., Kenton County, 001.
 22 shall be reauthorized for the 2010-2012 fiscal biennium.

23 **006.** City of Covington - West Covington Fire Station - Property
 24 Acquisition Reauthorization (\$300,000 Bond Funds)

25 **(1) Reauthorization:** The above project from 2006 Ky. Acts ch. 252, Part
 26 II, P., Kenton County, 003. shall be reauthorized for the 2010-2012 fiscal biennium.

27 **5. ATTORNEY GENERAL**

1	001. Franklin County - Lease		
2	6. UNIFIED PROSECUTORIAL SYSTEM		
3	a. Commonwealth's Attorneys		
4	001. Jefferson County - Lease		
5	7. TREASURY		
6	001. Lease-Purchase Check Printers and Fold Sealers		
7	Investment Income	277,000	277,000
8	8. AGRICULTURE		
9	001. Franklin County - Lease		
10	9. KENTUCKY RETIREMENT SYSTEMS		
11	001. Franklin County - Lease		
12	10. OCCUPATIONAL AND PROFESSIONAL BOARDS AND COMMISSIONS		
13	a. Nursing		
14	001. Jefferson County - Lease		
15	11. KENTUCKY RIVER AUTHORITY		
16	001. Kentucky River Locks and Dams Maintenance and Renovations		
17	Pool - 2010-2012		
18	Restricted Funds	3,290,000	375,000
19	002. Kentucky River Locks and Dams Maintenance and Renovations		
20	Pool Reauthorization (\$19,200,000 Agency Bonds)		
21	12. SCHOOL FACILITIES CONSTRUCTION COMMISSION		
22	001. Offers of Assistance - 2008-2010		
23	Bond Funds	150,000,000	-0-
24	002. Urgent Needs School Trust Fund Reauthorization (\$11,300,000		
25	Bond Funds)		
26	003. School Facilities Construction Commission Reauthorization		
27	(\$73,000,000 Bond Funds)		

1	004. Urgent Needs School Trust Fund - 2010-2012		
2	Bond Funds	65,494,000	-0-

3 **13. TEACHERS' RETIREMENT SYSTEM**

4	001. KTRS Pension Management System II		
5	Restricted Funds	19,650,000	-0-
6	002. KTRS Pension Management System Reauthorization (\$1,200,000		
7	Restricted Funds)		

8 **B. ECONOMIC DEVELOPMENT CABINET**

9 **(1) Economic Development Bond Issues:** Before any economic development
10 bonds are issued, the proposed bond issue shall be approved by the Secretary of the
11 Finance and Administration Cabinet and the State Property and Buildings Commission
12 under KRS 56.440 to 56.590. In addition to the terms and conditions of KRS 154.12-100,
13 administration of the Economic Development Bond Program by the Secretary of the
14 Cabinet for Economic Development is subject to the following guideline: project
15 selection shall be documented when presented to the Secretary of the Finance and
16 Administration Cabinet. Included in the documentation shall be the rationale for selection
17 and expected economic development impact.

18 **(2) Use of New Economy Funds:** Notwithstanding 2006 Ky. Acts ch. 252, Part
19 II, C., the \$20,000,000 in the New Economy High-Tech Construction/Investment Pool is
20 available for projects and loans approved by the Kentucky Economic Development
21 Finance Authority under the terms and conditions of its existing loan programs as well as
22 for projects in the high-tech construction pool and the high-tech investment pool in KRS
23 154.12-278.

24	Budget Units	2010-11	2011-12
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25 **1. SECRETARY**

26	001. High Tech Construction/Investment Pool		
27	Bond Funds	5,000,000	-0-

1	002. Parking Garage Maintenance Pool		
2	Capital Construction Surplus	1,000,000	-0-
3	2. FINANCIAL INCENTIVES		
4	001. Economic Development Bonds BRAC		
5	Bond Funds	38,495,000	-0-
6	002. Kentucky Economic Development Finance Authority Loan		
7	Pool		
8	Bond Funds	25,000,000	-0-
9	003. Economic Development Bond Pool - 2010-2012		
10	Bond Funds	7,500,000	-0-
11	C. DEPARTMENT OF EDUCATION		
12	Budget Units	2010-11	2011-12
13	1. OPERATIONS AND SUPPORT SERVICES		
14	001. Maintenance Pool - 2010-2012		
15	Investment Income	675,000	675,000
16	D. EDUCATION AND WORKFORCE DEVELOPMENT CABINET		
17	Budget Units	2010-11	2011-12
18	1. GENERAL ADMINISTRATION AND PROGRAM SUPPORT		
19	001. Maintenance Pool - 2010-2012		
20	Investment Income	300,000	300,000
21	2. KENTUCKY EDUCATIONAL TELEVISION		
22	001. Maintenance Pool - 2010-2012		
23	Investment Income	100,000	100,000
24	3. LIBRARIES AND ARCHIVES		
25	a. General Operations		
26	001. Franklin County - Lease		
27	4. VOCATIONAL REHABILITATION		

1 **001. Fayette County - Lease**

2 **E. ENERGY AND ENVIRONMENT CABINET**

3	Budget Units	2010-11	2011-12
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4 1. SECRETARY

5 **001. Kentucky Heritage Land Conservation Fund - Additional**

6	Bond Funds	-0-	15,000,000
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7 **002. Maintenance Pool - 2010-2012**

8	Investment Income	200,000	200,000
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9 **2. ENVIRONMENTAL PROTECTION**

10 **001. Petroleum Storage Tank Environmental Assurance Fund**

11	Bond Funds	25,000,000	25,000,000
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12 **002. Hazardous Waste Management Fund - 2010-2012**

13	Restricted Funds	2,100,000	2,100,000
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14 **003. State-Owned Dam Repair - 2010-2012**

15	Bond Funds	-0-	2,000,000
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16 **004. Franklin County - Lease - 300 Fair Oaks**

17 **005. Franklin County - Lease - 200 Fair Oaks**

18 **3. NATURAL RESOURCES**

19 **001. Franklin County - Lease**

20 **F. FINANCE AND ADMINISTRATION CABINET**

21	Budget Units	2009-10	2010-11	2011-12
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22 **1. FACILITIES AND SUPPORT SERVICES**

23 **001. Maintenance Pool - 2010-2012**

24	Bond Funds	-0-	3,500,000	1,725,000
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25 **002. Spindletop Renovation for Advanced Battery Research**

26	Bond Funds	-0-	1,000,000	-0-
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27 **003. Daviess County - Lease**

1 **004. Guaranteed Energy Savings Performance Contracts**

2 **2. COMMONWEALTH OFFICE OF TECHNOLOGY**

3 **(1) Transfer of Restricted Funds from Operating Budget:** For the major
4 equipment purchases displayed in this section funded from Restricted Funds, it is
5 anticipated that these funds shall be transferred from the Operating Budget as funds are
6 available and needed.

7 **001. Enterprise Cyber Security and Identity Management**

8	Restricted Funds	-0-	2,250,000	2,250,000
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9 **002. Equipment Leases**

10	Restricted Funds	1,500,000	2,000,000	-0-
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11 **003. Enterprise GIS Software and Imaging Upgrade**

12	Restricted Funds	-0-	500,000	500,000
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13	Federal Funds	-0-	1,142,000	1,142,000
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14	TOTAL	-0-	1,642,000	1,642,000
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15 **004. Enterprise Data Center Upgrade - 2010-2012**

16	Restricted Funds	-0-	1,000,000	1,000,000
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17 **005. Enterprise Application Infrastructure - 2010-2012**

18	Restricted Funds	-0-	400,000	400,000
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19 **006. Franklin County - Lease**

20 **3. REVENUE**

21 **001. Comprehensive Tax System - Additional**

22	Bond Funds	-0-	4,500,000	-0-
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23 **002. Cigarette Excise Tax Filing and Reporting System**

24	Restricted Funds	-0-	1,200,000	-0-
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25 **003. Franklin County - Lease**

26 **4. KENTUCKY LOTTERY CORPORATION**

27 **001. Potential Buyout of On-Line Gaming System**

1	Other Funds	-0-	20,000,000	-0-
2	002. Contingency on Property Adjacent to New Headquarters			
3	Other Funds	-0-	4,500,000	-0-
4	003. Data Processing, Telecommunications, and Related Equipment			
5	Other Funds	-0-	3,000,000	-0-
6	004. Instant Ticket Vending Machines			
7	Other Funds	-0-	2,000,000	-0-
8	005. Integration with New Online System			
9	Other Funds	-0-	1,000,000	-0-

G. HEALTH AND FAMILY SERVICES CABINET

11	Budget Units	2010-11	2011-12
12	1. GENERAL ADMINISTRATION AND PROGRAM SUPPORT		
13	001. Maintenance Pool - 2010-2012		
14	Bond Funds	1,750,000	850,000
15	2. COMMISSION FOR CHILDREN WITH SPECIAL HEALTH		
16	CARE NEEDS		
17	001. Jefferson County - Lease		
18	3. BEHAVIORAL HEALTH, DEVELOPMENTAL AND INTELLECTUAL		
19	DISABILITIES		
20	001. Eastern State Hospital Replacement		
21	Other Funds	129,005,000	-0-

(1) **Property Lease:** The Finance and Administration Cabinet and the Cabinet for Health and Family Services are authorized to execute a long-term lease with the University of Kentucky for property at the University of Kentucky's Coldstream Research Campus on Newtown Pike in Lexington, Kentucky for the sum of one dollar per year for 99 years, on which to locate a new mental health facility to replace Eastern State Hospital.

1 **(2) Financing, Design and Construction, and Lease-Rental Payments:**

2 The Finance and Administration Cabinet is authorized to enter into an agreement with the
3 Lexington-Fayette Urban-County Government, or its public properties corporation, to
4 provide the financing for a new mental health facility to replace Eastern State Hospital.

5 The Finance and Administration Cabinet, on behalf of the Cabinet for Health and Family
6 Services, shall procure the design and construction of a new mental health facility to
7 replace Eastern State Hospital. The Cabinet for Health and Family Services is authorized
8 to make lease-rental payments to the Lexington-Fayette Urban-County Government, or its
9 public properties corporation, upon the cabinet's occupancy of the new mental health
10 facility.

11 **(3) Agreement Approval:** Subsections (1) and (2) above are contingent

12 upon the execution and approval by the University of Kentucky Board of Trustees, the
13 Secretary of the Finance and Administration Cabinet on behalf of the Cabinet for Health
14 and Family Services, and the Lexington-Fayette Urban-County Government, or its public
15 properties corporation, of all contractual agreements required by subsections (1) and (2)
16 above. The executed agreements shall be reported to the Interim Joint Committee on
17 Appropriations and Revenue and the Capital Projects and Bond Oversight Committee.

18 **(4) Vacate Facilities:** The Kentucky Community and Technical College

19 System is authorized to vacate the property on the current Bluegrass Community and
20 Technical College, Cooper Drive Campus, located in Lexington, Kentucky, as determined
21 and agreed to by the University of Kentucky and the Kentucky Community and Technical
22 College System.

23 **(5) Transfer of Existing Property:** The Finance and Administration

24 Cabinet is authorized to transfer the state property known as Eastern State Hospital,
25 occupied by the Cabinet for Health and Family Services on West Fourth Street in
26 Lexington, Kentucky, to the Kentucky Community and Technical College System at an
27 appropriate time consistent with the relocation of the Cabinet for Health and Family

Services' programs from that property to the new mental health facility, as determined by the Secretary of the Finance and Administration Cabinet.

(6) Project Status Report: The Finance and Administration Cabinet shall continue to report the status of the Replacement of Eastern State Hospital project to the Interim Joint Committee on Appropriations and Revenue. Project status reports to the Interim Joint Committee on Appropriations and Revenue shall be required every six months until project completion.

002. Replacement of Glasgow State Nursing Facility

Bond Funds	18,000,000	-0-
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003. Oakwood Specialty Clinic

Bond Funds	-0-	2,164,000
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004. Franklin County - Lease

4. INCOME SUPPORT

001. Franklin County - Lease

002. Jefferson County - Lease

5. COMMUNITY BASED SERVICES

001. Boone County - Lease

002. Boyd County - Lease

003. Campbell County - Lease

004. Daviess County - Lease

005. Fayette County - Lease - Centre Parkway

006. Fayette County - Lease

007. Hardin County - Lease

008. Johnson County - Lease

009. Kenton County - Lease - Madison Avenue

010. Kenton County - Lease

011. Shelby County - Lease

1 **012. Warren County - Lease**

2 **H. JUSTICE AND PUBLIC SAFETY CABINET**

3	Budget Units	2010-11	2011-12
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4 **1. JUVENILE JUSTICE**

5 **001. Maintenance Pool - 2010-2012**

6	Investment Income	250,000	250,000
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7 **002. Franklin County - Lease**

8 **2. STATE POLICE**

9 **001. Maintenance Pool - 2010-2012**

10	Investment Income	300,000	300,000
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11 3. CORRECTIONS

12 **a. Corrections Management**

13 **001. Franklin County - Lease**

14 **b. Adult Correctional Institutions**

15 **001. Northpoint Training Center - Rebuild from Fire**

16	Bond Funds	18,800,000	-0-
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17 **002. Maintenance Pool - 2010-2012**

18	Bond Funds	2,750,000	2,750,000
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19 **003. Kentucky State Reformatory Renovate, Upgrade, Replace**

20 Electrical Lines

21	Bond Funds	4,200,000	-0-
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22 **004. W. Kentucky Correctional Complex Renovate Two**

23 Minimum Security Dorms

24	Bond Funds	370,000	-0-
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25 **4. PUBLIC ADVOCACY**

26 **001. Franklin County - Lease**

27 **I. LABOR CABINET**

1	Budget Units	2010-11	2011-12
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2	1. SECRETARY		
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3	001. Franklin County - Lease		
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4	2. WORKERS' CLAIMS		
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5	001. Franklin County - Lease		
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6	J. PERSONNEL CABINET		
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7	Budget Units	2009-10	2010-11	2011-12
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8	1. GENERAL OPERATIONS		
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9	001. Replace Personnel Payroll System - Additional		
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10	Bond Funds	22,900,000	-0-	-0-
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11	K. POSTSECONDARY EDUCATION		
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12 **(1) Agency Bond-Funded Projects for Public Postsecondary Institutions:** The

13 governing board of a public postsecondary institution shall certify in writing prior to

14 issuance of Agency Bonds as set forth in Part II, Capital Projects Budget, of this Act that

15 the project: (a) Will generate sufficient funds to retire the bonded indebtedness and pay

16 for ongoing operating expenses; or (b) Will not result in an increase in tuition. The

17 governing board shall submit a copy of the certification to the President of the Council on

18 Postsecondary Education, the Secretary of the Finance and Administration Cabinet, and

19 the Capital Projects and Bond Oversight Committee.

20 **(2) Lease-Purchase Agreements for Public Postsecondary Institutions:** Where

21 applicable, authorization for a lease-purchase capital project for a public postsecondary

22 institution as set forth in Part II, Capital Projects Budget, of this Act is provided pursuant

23 to KRS 45.763.

24 **(3) Operations and Maintenance Funding:** It is the intent of the 2010 General

25 Assembly that public postsecondary institutions should not base any decision to proceed

26 with any capital project authorized in Part II, Capital Projects Budget, of this Act, that is

27 funded from Agency Bonds, Restricted Funds, or Other Funds on an expectation of

1 receiving General Fund moneys for the operations and maintenance of that facility in
2 future bienniums.

3	Budget Units	2009-10	2010-11	2011-12
4	1. COUNCIL ON POSTSECONDARY EDUCATION			
5	001. KYVL Upgrade/Replace Integrated Library System			
6	Restricted Funds	-0-	7,500,000	-0-
7	002. KYVC/KYVL Statewide Licenses Pool Phase I			
8	Restricted Funds	-0-	4,000,000	-0-
9	003. Create Infrastructure Integrate Internet 2 Phase I			
10	Restricted Funds	-0-	3,250,000	-0-
11	004. Purchase P-20 Seamless Data Warehouse Phase I			
12	Restricted Funds	-0-	3,000,000	-0-
13	005. KYVL Federated Search Portal Consortium Phase 2			
14	Restricted Funds	-0-	1,400,000	1,400,000
15	006. Purchase eLearning Developmental Delivery and Management			
16	System Phase I			
17	Restricted Funds	-0-	2,800,000	-0-
18	007. Statewide Transfer Technology System			
19	Restricted Funds	-0-	1,000,000	1,000,000
20	008. Purchase P-20 Learning Object Repository Phase I - Additional			
21	Reauthorization (\$2,000,000 Restricted Funds)			
22	Restricted Funds	-0-	2,000,000	-0-
23	009. KYVL Kentuckiana Digital Library Expansion Phase I			
24	Restricted Funds	-0-	1,250,000	-0-
25	010. Course Redesign Initiative Phase I			
26	Restricted Funds	-0-	500,000	500,000
27	011. Purchase Asset Management System Phase I			

1	Restricted Funds	-0-	500,000	-0-
2	012. Expand GoHigher Portal - Additional Reauthorization (\$500,000			
3	Restricted Funds)			
4	Restricted Funds	-0-	200,000	-0-
5	013. Purchase KYVL Research Data Bases Phase I Reauthorization			
6	(\$3,500,000 Restricted Funds)			
7	014. Purchase KYVL Interlibrary Loan System - Additional Reauthorization			
8	(\$1,250,000 Restricted Funds)			
9	015. Purchase Multi-Media Streaming System Phase I Reauthorization			
10	(\$1,000,000 Restricted Funds)			
11	016. Purchase KYVL Interactive Library Tools Reauthorization			
12	(\$300,000 Restricted Funds)			
13	017. Purchase Statewide Lifelong Learning Portal Phase I Reauthorization			
14	(\$500,000 Restricted Funds)			
15	018. Upgrade Council on Postsecondary Education Technology			
16	Infrastructure Phase I Reauthorization (\$500,000 Restricted			
17	Funds)			
18	019. Purchase Mobile Learning Infrastructure Phase I Reauthorization			
19	(\$1,000,000 Restricted Funds)			
20	020. Purchase Longitudinal Postsecondary Education Data Warehouse			
21	Phase I Reauthorization (\$2,000,000 Restricted Funds)			
22	021. Purchase Portable Training Labs Reauthorization (\$300,000			
23	Restricted Funds)			
24	022. Purchase Interactive Television (ITV) System - Additional			
25	Reauthorization (\$1,000,000 Restricted Funds)			
26	023. Install Scholarly and Electronic Comm Repos Phase I Reauthorization			
27	(\$750,000 Restricted Funds)			

1	024. Franklin County - Lease			
2	2. KENTUCKY HIGHER EDUCATION ASSISTANCE AUTHORITY			
3	001. Kentucky Higher Education Student Loan Corporation -			
4	Jefferson County - Lease			
5	3. EASTERN KENTUCKY UNIVERSITY			
6	001. Construct New Student Housing - Additional Reauthorization			
7	(\$21,000,000 Agency Bonds)			
8	Agency Bonds	-0-	15,000,000	-0-
9	002. Construct Regional Health Facility			
10	Federal Funds	-0-	12,500,000	-0-
11	003. Renovate Residence Hall			
12	Agency Bonds	-0-	12,000,000	-0-
13	004. Construct Bio-Fuels Research Facility			
14	Federal Funds	-0-	12,000,000	-0-
15	005. Construct Student Athlete Support Facility			
16	Restricted Funds	-0-	5,850,000	-0-
17	006. Renovate HVAC Systems			
18	Restricted Funds	-0-	5,000,000	-0-
19	007. Construct ECU Early Childhood Center			
20	Restricted Funds	-0-	3,284,000	-0-
21	008. Purchase Minor Projects Equipment - Additional Reauthorization			
22	(\$500,000 Restricted Funds)			
23	Restricted Funds	-0-	2,500,000	-0-
24	009. Construct North Residential District Retail Unit			
25	Agency Bonds	-0-	2,250,000	-0-
26	010. Alumni Coliseum Addition/Field House Shell			
27	Restricted Funds	-0-	2,000,000	-0-

1	011. Renovate Blanton House			
2	Restricted Funds	-0-	1,100,000	-0-
3	012. Expand/Upgrade Campus Data Network			
4	Restricted Funds	-0-	1,000,000	-0-
5	013. Upgrade Academic Computing System			
6	Restricted Funds	-0-	1,000,000	-0-
7	014. Purchase of Adjacent Property Reauthorization (\$3,000,000			
8	Restricted Funds)			
9	015. Renovate Property Reauthorization (\$2,000,000 Restricted			
10	Funds)			
11	016. Renovate Women's Softball Complex Reauthorization (\$1,500,000			
12	Other Funds)			
13	017. Miscellaneous Maintenance Pool Reauthorization (\$5,000,000			
14	Restricted Funds)			
15	018. Guaranteed Energy Savings Performance Contracts			
16	019. Construct Eastern Kentucky University Hotel/Learning Center			
17	Other Funds	-0-	40,000,000	-0-
18	(1) Authorization: The above authorization is approved pursuant to KRS			
19	45.763.			
20	020. Construct Energy Research Building			
21	Restricted Funds	-0-	1,000,000	-0-
22	4. KENTUCKY STATE UNIVERSITY			
23	001. Construct New Residence Hall Phase III			
24	Other Funds	-0-	46,080,000	-0-
25	(1) Authorization: The above authorization is approved pursuant to KRS			
26	45.763.			
27	002. Renovate Old Federal Building - Additional			

1	Federal Funds	-0-	3,000,000	-0-
2	003. Construct Aquaculture Academic Research Facility - Additional			
3	Reauthorization (\$4,300,000 Federal Funds)			
4	Federal Funds	-0-	2,500,000	-0-
5	004. Acquire Land/Campus Master Plan 2010			
6	Restricted Funds	-0-	1,000,000	-0-
7	Federal Funds	-0-	1,000,000	-0-
8	TOTAL	-0-	2,000,000	-0-
9	005. Athletics Project Pool - Additional Reauthorization (\$1,025,000			
10	Restricted Funds)			
11	Restricted Funds	-0-	1,443,000	-0-
12	006. Guaranteed Energy Savings Performance Contracts			
13	5. MOREHEAD STATE UNIVERSITY			
14	001. Construct Athletic Administration and Sports Performance			
15	Building			
16	Restricted Funds	-0-	19,072,000	-0-
17	Other Funds	-0-	6,357,000	-0-
18	TOTAL	-0-	25,429,000	-0-
19	002. Construct Food Service/Retail and Parking Structure			
20	Agency Bonds	-0-	14,786,000	-0-
21	003. Construct Plant Facilities			
22	Restricted Funds	-0-	7,155,000	-0-
23	004. Capital Renewal and Maintenance Pool - E&G			
24	Restricted Funds	-0-	6,795,000	-0-
25	005. Construct Classroom to the Community Facility			
26	Restricted Funds	-0-	4,160,000	-0-
27	Other Funds	-0-	2,000,000	-0-

1	TOTAL	-0-	6,160,000	-0-
2	006. Enhance Network/Infrastructure Resources			
3	Restricted Funds	-0-	5,650,000	-0-
4	007. Upgrade Instructional PCs/LANS/Peripherals			
5	Restricted Funds	-0-	5,000,000	-0-
6	008. Renovate West Mignon Residence Hall			
7	Agency Bonds	-0-	4,948,000	-0-
8	009. Renovate East Mignon Residence Hall			
9	Agency Bonds	-0-	4,948,000	-0-
10	010. Renovate Academic Center and Tennis Team Facilities			
11	Restricted Funds	-0-	4,848,000	-0-
12	011. Acquire Land Related to Master Plan			
13	Restricted Funds	-0-	4,000,000	-0-
14	012. Purchase Equipment for Center for Health, Education, and			
15	Research			
16	Restricted Funds	-0-	3,813,000	-0-
17	013. Comply with ADA - E&G			
18	Restricted Funds	-0-	3,449,000	-0-
19	014. Comply with ADA - Auxiliary			
20	Agency Bonds	-0-	3,065,000	-0-
21	015. Upgrade Administrative Office Systems			
22	Restricted Funds	-0-	3,000,000	-0-
23	016. Retube Coal Fired Boilers			
24	Restricted Funds	-0-	3,000,000	-0-
25	017. Replace Exterior Precast Panels - Nunn Hall			
26	Agency Bonds	-0-	3,000,000	-0-
27	018. Construct Residential Facility - University Farm			

1	Agency Bonds	-0-	2,524,000	-0-
2	019. Reconstruct Central Campus			
3	Restricted Funds	-0-	2,500,000	-0-
4	020. Capital Renewal and Maintenance Pool - Auxiliary			
5	Agency Bonds	-0-	2,284,000	-0-
6	021. Purchase Instructional Technology Initiatives			
7	Restricted Funds	-0-	2,045,000	-0-
8	022. Construct Honors College Facility			
9	Restricted Funds	-0-	1,802,000	-0-
10	023. Construct Classroom/Lab Building - Browning Orchard			
11	Restricted Funds	-0-	1,452,000	-0-
12	024. Plan and Design Library Facility			
13	Restricted Funds	-0-	1,350,000	-0-
14	025. Upgrade Fire Alarms			
15	Restricted Funds	-0-	1,344,000	-0-
16	026. Upgrade and Expand Distance Learning			
17	Restricted Funds	-0-	1,150,000	-0-
18	027. Capital Renewal and Maintenance Pool - University Farm			
19	Restricted Funds	-0-	1,076,000	-0-
20	028. Enhance Library Automation Resources			
21	Restricted Funds	-0-	1,040,000	-0-
22	029. Expand Life Safety - Claypool-Young Building			
23	Restricted Funds	-0-	1,040,000	-0-
24	030. Purchase Equipment for Biochemistry Lab			
25	Restricted Funds	-0-	400,000	-0-
26	031. Guaranteed Energy Savings Performance Contracts			
27	032. Renovate Mignon Tower Residence Hall Reauthorization			

1 (\$5,682,000 Agency Bonds)

2 **6. MURRAY STATE UNIVERSITY**

3 **001. Construct New Breathitt Veterinary Center**

4 Restricted Funds -0- 30,000,000 -0-

5 **002. Renovate Blackburn Science**

6 Restricted Funds -0- 28,903,000 -0-

7 **003. Renovate Lovett Auditorium**

8 Restricted Funds -0- 21,967,000 -0-

9 **004. Construct Paducah Regional Campus Facility**

10 Other Funds -0- 17,646,000 -0-

11 **(1) Authorization:** The above authorization is approved pursuant to KRS
12 45.763.

13 **005. Complete Capital Renewal - E&G Pool < \$600,000**

14 Restricted Funds -0- 14,783,000 -0-

15 **006. Upgrade Campus Electrical Distribution System**

16 Restricted Funds -0- 11,079,000 -0-

17 **007. Renovate College Courts**

18 Agency Bonds -0- 10,000,000 -0-

19 **008. Renovate Elizabeth Hall**

20 Agency Bonds -0- 8,896,000 -0-

21 **009. Complete ADA Compliance - E&G Pool < \$600,000**

22 Restricted Funds -0- 4,604,000 -0-

23 **010. Construct Multipurpose Practice Facility**

24 Restricted Funds -0- 4,000,000 -0-

25 **011. Chemistry Instructional and Research Instruments**

26 Restricted Funds -0- 2,450,000 -0-

27 **012. Acquire Farm Laboratory Land**

1	Restricted Funds	-0-	2,000,000	-0-
2	013. College of Science Instructional/Research Equipment			
3	Restricted Funds	-0-	2,000,000	-0-
4	014. Complete Business and Research Center Tenant Space			
5	Restricted Funds	-0-	1,948,000	-0-
6	015. Replace Breathitt Veterinary Center Heating and Cooling			
7	System			
8	Restricted Funds	-0-	1,860,000	-0-
9	016. Campus Desktop Virtualization			
10	Restricted Funds	-0-	1,725,000	-0-
11	017. Construct Livestock Instructional Laboratory			
12	Restricted Funds	-0-	1,700,000	-0-
13	018. ITV Upgrades to Murray State University System			
14	Restricted Funds	-0-	1,453,000	-0-
15	019. Demolish Ordway Hall			
16	Restricted Funds	-0-	1,158,000	-0-
17	020. Student Desktop Virtualization			
18	Restricted Funds	-0-	1,150,000	-0-
19	021. Complete Life Safety Projects - E&G Pool < \$600,000			
20	Restricted Funds	-0-	1,042,000	-0-
21	022. Upgrade Applied Science Electrical System			
22	Restricted Funds	-0-	1,029,000	-0-
23	023. Renovate Curris Center T'Room and Food Service Equipment			
24	Agency Bonds	-0-	1,008,000	-0-
25	024. Install Sprinkler System - Blackburn Science Building			
26	Restricted Funds	-0-	1,000,000	-0-
27	025. Acquire Land			

1	Restricted Funds	-0-	1,000,000	-0-
2	026. Construct Open-Sided Stall Barn at Expo Center			
3	Restricted Funds	-0-	992,000	-0-
4	027. Renovate Pogue Library Electric and HVAC			
5	Restricted Funds	-0-	978,000	-0-
6	028. Replace Central Plant Boilers			
7	Restricted Funds	-0-	820,000	-0-
8	029. Renovate A. Carman Pavilion - Completion			
9	Restricted Funds	-0-	605,000	-0-
10	030. Scanning Electron Microscope - Hancock Biological Station			
11	Restricted Funds	-0-	25,000	-0-
12	Federal Funds	-0-	425,000	-0-
13	TOTAL	-0-	450,000	-0-
14	031. Construct Electrical Generation Plant Reauthorization (\$6,050,000			
15	Other Funds)			
16	(1) Reauthorization: The above reauthorization is approved pursuant to			
17	KRS 45.763.			
18	032. Construct College Courts Housing Reauthorization (\$17,900,000			
19	Other Funds)			
20	(1) Authorization: The above authorization is approved pursuant to KRS			
21	45.763.			
22	033. Guaranteed Energy Savings Performance Contracts			
23	7. NORTHERN KENTUCKY UNIVERSITY			
24	001. Acquire Land/Master Plan 2010-2012			
25	Agency Bonds	20,000,000	-0-	-0-
26	002. Reconstruct Central Plaza Phase II			
27	Other Funds	-0-	17,500,000	-0-

1 **003. Renew/Renovate University Center Phase II**

2 Other Funds -0- 12,000,000 -0-

3 **(1) Authorization:** The above authorization is approved pursuant to KRS
4 45.763.

5 **004. Construct Center for Informatics - Additional Reauthorization**

6 (\$35,500,000 Bond Funds, \$5,500,000 Federal Funds, \$10,000,000

7 Other Funds)

8 Restricted Funds -0- 4,000,000 -0-

9 Federal Funds -0- 2,000,000 -0-

10 Other Funds -0- 6,000,000 -0-

11 TOTAL -0- 12,000,000 -0-

12 **(1) Authorization:** The above authorization is approved pursuant to KRS
13 45.763.

14 **005. Construct Alumni Center**

15 Other Funds -0- 10,500,000 -0-

16 **006. Acquire Radio Communications**

17 Agency Bonds 10,000,000 -0- -0-

18 **007. Acquire/Renovate Gateway/Highland Heights Campus**

19 Agency Bonds -0- 7,500,000 -0-

20 **008. Enhance Softball and Tennis Complex**

21 Other Funds -0- 5,500,000 -0-

22 **(1) Authorization:** The above authorization is approved pursuant to KRS
23 45.763.

24 **009. Relocate Early Childcare Center**

25 Other Funds -0- 5,200,000 -0-

26 **(1) Authorization:** The above authorization is approved pursuant to KRS
27 45.763.

1	010. Enhance Instructional Technology			
2	Restricted Funds	-0-	5,090,000	-0-
3	011. Renew/Renovate Fine Arts Center			
4	Restricted Funds	-0-	5,000,000	-0-
5	012. Renew/Renovate Regents Hall			
6	Restricted Funds	-0-	4,000,000	-0-
7	013. Renovate Old Civic Center Building			
8	Agency Bonds	-0-	3,700,000	-0-
9	014. Repair Structural Heaving Landrum and Fine Arts			
10	Restricted Funds	-0-	3,500,000	-0-
11	015. Initiate Phase II of Master Plan			
12	Restricted Funds	-0-	3,500,000	-0-
13	016. Renovate Applied Science and Technology First Floor			
14	Restricted Funds	-0-	3,300,000	-0-
15	017. E&G Minor Projects Pool 2010-2012			
16	Restricted Funds	-0-	3,200,000	-0-
17	018. Renovate/Expand Baseball Field			
18	Other Funds	-0-	3,000,000	-0-
19	(1) Authorization: The above authorization is approved pursuant to KRS			
20	45.763.			
21	019. Design Center for Legal Education			
22	Other Funds	-0-	3,000,000	-0-
23	(1) Authorization: The above authorization is approved pursuant to KRS			
24	45.763.			
25	020. Design Renovation/Expansion of Albright Health Center			
26	Other Funds	-0-	3,000,000	-0-
27	(1) Authorization: The above authorization is approved pursuant to KRS			

1	45.763.			
2	021. Renew E&G Fire Alarm Systems			
3	Restricted Funds	-0-	2,875,000	-0-
4	022. Housing/Minor Projects Pool 2010-2012			
5	Restricted Funds	-0-	2,750,000	-0-
6	023. Upgrade Communication and Network Infrastructure			
7	Restricted Funds	-0-	2,500,000	-0-
8	024. Construct Intramural Fields			
9	Restricted Funds	-0-	2,500,000	-0-
10	025. Repair University Drive Parking Garage			
11	Agency Bonds	-0-	2,000,000	-0-
12	026. Enhance Information Technology Infrastructure			
13	Restricted Funds	-0-	1,850,000	-0-
14	027. Renew E&G Elevators 2010-2012			
15	Restricted Funds	-0-	1,400,000	-0-
16	028. Design Chiller Plant			
17	Restricted Funds	-0-	1,000,000	-0-
18	029. Implement Web 2.0 and Mobile Applications			
19	Restricted Funds	-0-	1,000,000	-0-
20	030. Restore Albright Health Center Roof			
21	Restricted Funds	-0-	995,000	-0-
22	031. Lease-Purchase Coach Bus			
23	Restricted Funds	-0-	690,000	-0-
24	032. Replace Mobile TV Production Unit			
25	Restricted Funds	-0-	650,000	-0-
26	033. Improve Customer Service Systems and Technology			
27	Restricted Funds	-0-	600,000	-0-

1	034. Purchase FT - IR and Raman Microscope			
2	Restricted Funds	-0-	395,000	-0-
3	035. Purchase DNA Analyzer System			
4	Restricted Funds	-0-	390,000	-0-
5	036. Purchase Field Emission Microscope			
6	Restricted Funds	-0-	380,000	-0-
7	037. Purchase Materials Strength Testing Equipment			
8	Restricted Funds	-0-	325,000	-0-
9	038. Lease-Purchase Large Format Color Press			
10	Other Funds	-0-	325,000	-0-
11	(1) Authorization: The above authorization is approved pursuant to KRS			
12	45.763.			
13	039. Purchase Mobile Science Lab			
14	Restricted Funds	-0-	320,000	-0-
15	040. Purchase ICP - Mass Spectrometer			
16	Restricted Funds	-0-	300,000	-0-
17	041. Purchase Optical Parametric Oscillator			
18	Restricted Funds	-0-	295,000	-0-
19	042. Purchase DART Mass Spectrometer			
20	Restricted Funds	-0-	295,000	-0-
21	043. Purchase Fluorescence Life-Time Apparatus			
22	Restricted Funds	-0-	295,000	-0-
23	044. Purchase Calorimetry Instrumentation			
24	Restricted Funds	-0-	295,000	-0-
25	045. Purchase Ion Beam System			
26	Restricted Funds	-0-	270,000	-0-
27	046. Purchase Concrete Testing Equipment			

1	Restricted Funds	-0-	250,000	-0-
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2	047. Campbell County - Gateway Building - Lease			
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3	048. Kenton County - METS Lease			
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4	049. Lease - Academic Space Highland Heights			
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5	050. Guaranteed Energy Savings Performance Contracts			
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6	051. Acquire and Renovate Residence Halls			
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7	Other Funds	-0-	3,000,000	-0-
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8	(1) Authorization: The above authorization is approved pursuant to KRS			
9	45.763.			

10	052. Lease-Purchase Administrative Application System Phase			
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11	IV			
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12	Restricted Funds	-0-	15,000,000	-0-
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13	053. Design Parking Garage Expansion			
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14	Restricted Funds	-0-	1,000,000	-0-
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15	054. Design College of Business Building			
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16	Other Funds	-0-	600,000	-0-
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17	(1) Authorization: The above authorization is approved pursuant to KRS			
18	45.763.			

19	8. UNIVERSITY OF KENTUCKY			
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20	001. Expand Patient Care Facility - Hospital Phase 4			
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21	Restricted Funds	-0-	100,000,000	-0-
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22	002. Lease-Purchase Office Tower			
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23	Other Funds	-0-	66,341,000	-0-
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24	(1) Authorization: The above authorization is approved pursuant to KRS			
25	45.763.			

26	003. Lease-Purchase New Housing			
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27	Other Funds	-0-	52,500,000	-0-
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1 **(1) Authorization:** The above authorization is approved pursuant to KRS
2 45.763.

3 **004. Acquire Land**

4	Restricted Funds	-0-	50,000,000	-0-
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5 **005. Lease-Purchase Parking Structure 9**

6	Other Funds	-0-	44,100,000	-0-
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7 **(1) Authorization:** The above authorization is approved pursuant to KRS
8 45.763.

9 **006. Renovate Old Pharmacy Building for Biology**

10	Restricted Funds	-0-	40,165,000	-0-
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11 **007. Expand Pence Hall**

12	Restricted Funds	-0-	35,000,000	-0-
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13 **008. Capital Renewal Maintenance Pool**

14	Restricted Funds	-0-	33,750,000	-0-
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15 **009. Upgrade, Renovate, Improve, or Expand Research Labs**

16	Restricted Funds	-0-	33,500,000	-0-
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17 **010. Research Equipment Program**

18	Restricted Funds	-0-	30,000,000	-0-
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19 **011. Construct Second New Housing**

20	Agency Bonds	-0-	30,000,000	-0-
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21 **012. Fit-Up Pharmacy Building Lab Space**

22	Restricted Funds	-0-	28,600,000	-0-
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23 **013. Repair, Upgrade, Improve Electrical Infrastructure**

24	Restricted Funds	-0-	28,000,000	-0-
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25 **014. Repair, Upgrade, Improve Mechanical Infrastructure**

26	Restricted Funds	-0-	26,000,000	-0-
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27 **015. Expand CRMS and Raymond Civil Engineering Building**

1	Restricted Funds	-0-	25,770,000	-0-
2	016. Construct Gatton Building Complex			
3	Other Funds	-0-	25,000,000	-0-
4	017. Repair, Upgrade, Improve Building Mechanical Systems			
5	Restricted Funds	-0-	25,000,000	-0-
6	018. Guaranteed Energy Savings Performance Contracts			
7	Agency Bonds	-0-	25,000,000	-0-
8	019. Lease-Purchase Construct Good Samaritan Medical Office			
9	Building			
10	Other Funds	-0-	23,700,000	-0-
11	(1) Authorization: The above authorization is approved pursuant to KRS			
12	45.763.			
13	020. Construct/Renovate Lab Facilities			
14	Restricted Funds	-0-	21,000,000	-0-
15	021. Expand Coldstream Research Campus			
16	Restricted Funds	-0-	20,000,000	-0-
17	022. Repair, Upgrade, Improve Building Systems - Hospital			
18	Restricted Funds	-0-	20,000,000	-0-
19	023. Implement Land Use Plan - Hospital			
20	Restricted Funds	-0-	20,000,000	-0-
21	024. Lease-Purchase Upgrade Enterprise Information Systems			
22	Restricted Funds	-0-	20,000,000	-0-
23	025. Expand/Renovate Ambulatory Care Facility - Hospital			
24	Restricted Funds	-0-	20,000,000	-0-
25	026. Upgrade Student Center Infrastructure			
26	Agency Bonds	-0-	17,805,000	-0-
27	027. Upgrade Reynolds Building			

1	Other Funds	-0-	16,230,000	-0-
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2 **(1) Authorization:** The above authorization is approved pursuant to KRS
3 45.763.

4 **028. Improve Life Safety Project Pool**

5	Restricted Funds	-0-	15,000,000	-0-
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6 **029. Construct/Renovate Imaging Services - Kentucky Clinic**

7	Restricted Funds	-0-	15,000,000	-0-
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8 **030. Upgrade Clinical Services - Hospital**

9	Restricted Funds	-0-	15,000,000	-0-
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10 **031. Lease-Purchase Track and Field Facility**

11	Other Funds	-0-	14,100,000	-0-
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12 **(1) Authorization:** The above authorization is approved pursuant to KRS
13 45.763.

14 **032. Repair, Upgrade, and Improve Civil/Site Infrastructure**

15	Restricted Funds	-0-	14,000,000	-0-
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16 **033. Fit-Up CAER CTL Mini-Refinery Building**

17	Restricted Funds	-0-	12,000,000	-0-
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18 **034. Renovate Erikson Hall**

19	Restricted Funds	-0-	12,000,000	-0-
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20 **035. Construct Equine Campus**

21	Other Funds	-0-	11,250,000	-0-
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22 **036. Lease-Purchase Off Campus Office Building**

23	Other Funds	-0-	10,000,000	-0-
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24 **(1) Authorization:** The above authorization is approved pursuant to KRS
25 45.763.

26 **037. Lease-Purchase Data Center Hardware - Hospital**

27	Restricted Funds	-0-	10,000,000	-0-
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1	038. Lease-Purchase Clinical Enterprise Data Center Hardware			
2	Restricted Funds	-0-	10,000,000	-0-
3	039. Lease-Purchase Telemedicine/Virtual ICU			
4	Restricted Funds	-0-	10,000,000	-0-
5	040. Upgrade/Fit-Up Hospital Facilities			
6	Restricted Funds	-0-	10,000,000	-0-
7	041. Lease-Purchase/Upgrade Hospital IT Systems			
8	Restricted Funds	-0-	10,000,000	-0-
9	042. Lease-Purchase PCF Data Center Hardware Pool			
10	Restricted Funds	-0-	10,000,000	-0-
11	043. Renovate/Upgrade Hospital Facility - Good Samaritan			
12	Restricted Funds	-0-	10,000,000	-0-
13	044. Lease-Purchase Implement Revenue Management System			
14	Restricted Funds	-0-	10,000,000	-0-
15	045. Upgrade/Expand Cancer Treatment Facility - Hospital			
16	Restricted Funds	-0-	10,000,000	-0-
17	046. Expand and Renovate West Kentucky Robinson Station			
18	Restricted Funds	-0-	9,835,000	-0-
19	047. Relocate Greenhouses			
20	Restricted Funds	-0-	9,310,000	-0-
21	048. Upgrade the Vivarium in Sanders Brown Building			
22	Restricted Funds	-0-	8,742,000	-0-
23	049. Construct Library Depository Facility			
24	Restricted Funds	-0-	7,625,000	-0-
25	050. Renovate Dentistry Clinic in Kentucky Clinic			
26	Agency Bonds	-0-	7,615,000	-0-
27	051. Lease-Purchase/Construct Hospital Dining Facilities and			

1 Equipment

2 Other Funds -0- 7,350,000 -0-

3 **(1) Authorization:** The above authorization is approved pursuant to KRS

4 45.763.

5 **052.** Construct Student Athlete Residence Hall

6 Other Funds -0- 7,000,000 -0-

7 **053.** Design Student Center Expansion/Renovation

8 Restricted Funds -0- 6,535,000 -0-

9 **054.** Lease-Purchase High Performance Research Computers

10 Restricted Funds -0- 6,500,000 -0-

11 **055.** Expand Boone Tennis Center

12 Other Funds -0- 6,500,000 -0-

13 **056.** Renovate Sections of Funkhouser Building Phase I

14 Restricted Funds -0- 6,426,000 -0-

15 **057.** Construct Facilities Storage Building

16 Restricted Funds -0- 6,120,000 -0-

17 **058.** Renovate Nursing Units - Hospital

18 Restricted Funds -0- 6,000,000 -0-

19 **059.** Convert Taylor Education Space to Offices and Classrooms

20 Restricted Funds -0- 5,875,000 -0-

21 **060.** Renovate Whalen Building

22 Restricted Funds -0- 5,760,000 -0-

23 **061.** Expand and Renovate CAER Laboratories

24 Restricted Funds -0- 5,445,000 -0-

25 **062.** Renovate Sloan Building Phase I

26 Restricted Funds -0- 5,445,000 -0-

27 **063.** Expand KGS Well Sample and Core Repository

1	Restricted Funds	-0-	5,280,000	-0-
2	064. Repair, Upgrade, and Improve Building Shell Systems			
3	Restricted Funds	-0-	5,000,000	-0-
4	065. Lease-Purchase/Renovate Central Computing Facility			
5	Other Funds	-0-	5,000,000	-0-
6	(1) Authorization: The above authorization is approved pursuant to KRS			
7	45.763.			
8	066. Lease-Purchase ERP Phase IV			
9	Restricted Funds	-0-	5,000,000	-0-
10	067. Repair, Upgrade, and Improve Building Electrical Systems			
11	Restricted Funds	-0-	5,000,000	-0-
12	068. Lease-Purchase PACS System			
13	Restricted Funds	-0-	5,000,000	-0-
14	069. Upgrade Critical Care Facility - Hospital			
15	Restricted Funds	-0-	5,000,000	-0-
16	070. Renovate Mineral Industries Building			
17	Restricted Funds	-0-	4,900,000	-0-
18	071. Renovate Space in McVey Hall			
19	Restricted Funds	-0-	4,900,000	-0-
20	072. Lease-Purchase Digital Medical Record Expansion			
21	Restricted Funds	-0-	4,640,000	-0-
22	073. Upgrade Clinic Enterprise Network - Hospital Pool			
23	Restricted Funds	-0-	4,250,000	-0-
24	074. Renovate Memorial Coliseum Seating Area			
25	Other Funds	-0-	4,000,000	-0-
26	075. Renovate/Expand DLAR Quarantine Facility Spindletop			
27	Restricted Funds	-0-	3,750,000	-0-

1	076. Lease-Purchase/Construct Retail Space			
2	Other Funds	-0-	3,660,000	-0-
3	(1) Authorization: The above authorization is approved pursuant to KRS			
4	45.763.			
5	077. Renovate King Library South - 1962 Section Phase II			
6	Restricted Funds	-0-	3,600,000	-0-
7	078. Renovate Old Northside Library Building			
8	Restricted Funds	-0-	3,500,000	-0-
9	079. Lease-Purchase Large Scale Computing			
10	Restricted Funds	-0-	3,500,000	-0-
11	080. Lease-Purchase PKS2 Frame Room Emergency Generators			
12	Restricted Funds	-0-	3,500,000	-0-
13	081. Renovate Chemistry/Physics Building			
14	Restricted Funds	-0-	3,500,000	-0-
15	082. Lease-Purchase Campus Infrastructure Upgrade			
16	Restricted Funds	-0-	3,500,000	-0-
17	083. Lease-Purchase/Upgrade Support Services - Hospital			
18	Restricted Funds	-0-	3,500,000	-0-
19	084. Renovate Parking Structure 3 - Hospital			
20	Restricted Funds	-0-	3,500,000	-0-
21	085. Renovate Nursing Building			
22	Restricted Funds	-0-	1,505,000	-0-
23	Federal Funds	-0-	1,900,000	-0-
24	TOTAL	-0-	3,405,000	-0-
25	086. Relocate and Expand Dentistry Faculty Practice			
26	Agency Bonds	-0-	3,375,000	-0-
27	087. Renovate Reynolds Building Phase I			

1	Restricted Funds	-0-	3,270,000	-0-
2	088. Renovate Dentistry Class Lab			
3	Restricted Funds	-0-	3,265,000	-0-
4	089. Lease-Purchase Soccer/Softball Facilities			
5	Other Funds	-0-	3,000,000	-0-
6	(1) Authorization: The above authorization is approved pursuant to KRS			
7	45.763.			
8	090. Lease-Purchase Wireless/Cellular Infrastructure			
9	Restricted Funds	-0-	3,000,000	-0-
10	091. Lease-Purchase Replace Perioperative Information System			
11	Restricted Funds	-0-	3,000,000	-0-
12	092. Lease-Purchase Implement Medication Bar Coding System			
13	Restricted Funds	-0-	3,000,000	-0-
14	093. Lease-Purchase Telephone System Replacement			
15	Restricted Funds	-0-	2,700,000	-0-
16	094. Renovate Central DLAR Facility			
17	Restricted Funds	-0-	2,680,000	-0-
18	095. Repair Stadium Structure			
19	Other Funds	-0-	2,500,000	-0-
20	096. Renovate Diagnostic Treatment Services - Hospital			
21	Restricted Funds	-0-	2,500,000	-0-
22	097. Lease-Purchase Data Repository System			
23	Restricted Funds	-0-	2,500,000	-0-
24	098. Lease-Purchase Enterprise Storage System			
25	Restricted Funds	-0-	2,200,000	-0-
26	099. Lease-Purchase Remote Site Fiber			
27	Restricted Funds	-0-	2,000,000	-0-

1	100. Upgrade Surgical Services - Hospital			
2	Restricted Funds	-0-	2,000,000	-0-
3	101. Construct Physicians Services Facilities - Hospital			
4	Restricted Funds	-0-	2,000,000	-0-
5	102. Replace Radiology Information System			
6	Restricted Funds	-0-	2,000,000	-0-
7	103. Lease-Purchase Identity Management System			
8	Restricted Funds	-0-	1,750,000	-0-
9	104. Lease-Purchase Network Security Hardware			
10	Restricted Funds	-0-	1,500,000	-0-
11	105. Renovate Schmidt Vocal Arts Center			
12	Restricted Funds	-0-	1,500,000	-0-
13	106. Expand/Renovate Sturgill Development Building			
14	Other Funds	-0-	1,500,000	-0-
15	107. Renovate Memorial Hall			
16	Restricted Funds	-0-	1,500,000	-0-
17	108. Lease-Purchase Radiofrequency Identification System			
18	Restricted Funds	-0-	1,500,000	-0-
19	109. Purchase Managed Care Enterprise			
20	Restricted Funds	-0-	1,160,000	-0-
21	110. Purchase Upgraded Communication Infrastructure			
22	Restricted Funds	-0-	1,015,000	-0-
23	111. Handicapped Access Pool			
24	Restricted Funds	-0-	1,000,000	-0-
25	112. Lease-Purchase Exchange Replacement			
26	Restricted Funds	-0-	1,000,000	-0-
27	113. Renovate Third Floor Little Library			

1	Restricted Funds	-0-	1,000,000	-0-
2	114. Expand Clinical Enterprise Data Center Network Pool			
3	Restricted Funds	-0-	1,000,000	-0-
4	115. Lease-Purchase Implement Patient Communication System			
5	Restricted Funds	-0-	1,000,000	-0-
6	116. Lease-Purchase Mainframe Computer - Hospital			
7	Restricted Funds	-0-	1,000,000	-0-
8	117. Lease-Purchase Data Archiving (ASG)			
9	Restricted Funds	-0-	900,000	-0-
10	118. Lease-Purchase Document Imaging (ASG)			
11	Restricted Funds	-0-	775,000	-0-
12	119. Purchase Raman Spectrometer			
13	Restricted Funds	-0-	750,000	-0-
14	120. Lease-Purchase Campus Call Center System			
15	Restricted Funds	-0-	750,000	-0-
16	121. Purchase Staff Scheduling System - Hospital			
17	Restricted Funds	-0-	750,000	-0-
18	122. Purchase Paging Software - Hospital			
19	Restricted Funds	-0-	700,000	-0-
20	123. Lease-Purchase Document Scanning System			
21	Restricted Funds	-0-	700,000	-0-
22	124. Lease-Purchase Police Communications Equipment			
23	Restricted Funds	-0-	675,000	-0-
24	125. Purchase High Resolution Vacuum Ultra Photo Spectrometer			
25	Restricted Funds	-0-	590,000	-0-
26	126. Purchase Shelving for Storage Facility			
27	Restricted Funds	-0-	525,000	-0-

1	127. Purchase Compact Shelving - Fine Arts Library			
2	Restricted Funds	-0-	500,000	-0-
3	128. Purchase Electrospray LC Tandem Mass Spectrometer			
4	Restricted Funds	-0-	325,000	-0-
5	129. Purchase Precision Machining System			
6	Restricted Funds	-0-	250,000	-0-
7	130. Purchase Matrix Assisted Laser Mass Spectrometer			
8	Restricted Funds	-0-	250,000	-0-
9	131. Purchase Automatic Window Shades for W.T. Young			
10	Restricted Funds	-0-	250,000	-0-
11	132. Purchase Physical Chemistry Teaching Laboratory			
12	Restricted Funds	-0-	240,000	-0-
13	133. Purchase Circular Dichroism Spectrometer			
14	Restricted Funds	-0-	210,000	-0-
15	134. Upgrade Audio/Visual Equipment Guignol Theatre			
16	Restricted Funds	-0-	210,000	-0-
17	135. Purchase Metabolic Instructional System			
18	Restricted Funds	-0-	205,000	-0-
19	136. Purchase Upgraded Integrated Library System Reauthorization			
20	(\$1,000,000 Restricted Funds)			
21	137. Lease-Purchase Data Warehouse/Infrastructure Reauthorization			
22	(\$1,800,000 Restricted Funds)			
23	138. Renovate and Upgrade Commonwealth Stadium Reauthorization			
24	(\$180,000,000 Other Funds)			

25 **(1) Financial Obligation:** All costs associated with the financing of this
26 project shall be at the offeror's risk, and the University of Kentucky and the
27 Commonwealth of Kentucky shall not assume any subordinate or contingent financial

1 obligation or responsibility.

2 **139.** Construct Baseball Stadium Reauthorization (\$37,500,000

3 Other Funds)

4 **(1) Financial Obligation:** All costs associated with the financing of this
 5 project shall be at the offeror's risk, and the University of Kentucky and the
 6 Commonwealth of Kentucky shall not assume any subordinate or contingent financial
 7 obligation or responsibility.

8 **140.** Lease - Rural Health Expansion - Hazard Perry County

9 **141.** Lease - Off Campus 1 - Fayette County

10 **142.** Lease - Off Campus 2 - Fayette County

11 **143.** Lease - Off Campus 3 - Fayette County

12 **144.** Lease - Off Campus 4 - Fayette County

13 **145.** Lease - Off Campus 5 - Fayette County

14 **146.** Lease - Off Campus 6 - Fayette County

15 **147.** Lease - Off Campus 7 - Fayette County

16 **148.** Lease - Grant Project 1 - Fayette County

17 **149.** Lease - Grant Project 2 - Fayette County

18 **150.** Lease - Health Affairs Office - Fayette County

19 **151.** Lease - Health Affairs Office 3 - Fayette County

20 **152.** Lease - Health Affairs Office 4 - Fayette County

21 **153.** Lease - Health Affairs Office 5 - Fayette County

22 **154.** Lease - Health Affairs Office 6 - Fayette County

23 **155.** Lease - Health Affairs Office 7 - Fayette County

24 **156.** Lease - Med Center Grant Project 1 - Fayette County

25 **157.** Lease - Med Center Grant Project 2 - Fayette County

26 **158.** Lease - Med Center Off-Campus Facility 1 - Fayette County

27 **159.** Lease - Off Campus Housing 1 - Fayette County

1 **160.** Lease - Off Campus Housing 2 - Fayette County

2 **161.** Lease - Blazer Parkway - Fayette County

3 **162.** Lease - Administrative Office - Fayette County

4 **163.** Lease - Kentucky Utilities Building - Fayette County

5 **164.** Lease - Health Affairs Office 2 - Fayette County

6 **165.** Lease - Med College Off Campus Clinic - Fayette County

7 **166.** Lease - Good Samaritan Hospital - Fayette County

8 **167.** Construct Data Center

9	Agency Bonds	-0-	40,000,000	-0-
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10 **(1) Agency Bond Project Reporting Requirement:** Notwithstanding Part

11 II, K., (1) of this Act, the governing board of the University of Kentucky shall certify in
 12 writing prior to issuance of Agency Bonds for the above project that the project will not
 13 result in an increase in tuition or fees. The governing board shall submit a copy of the
 14 certification to the President of the Council on Postsecondary Education, the Secretary of
 15 the Finance and Administration Cabinet, and the Capital Projects and Bond Oversight
 16 Committee.

17 **168.** Purchase Pollution Controls

18	Agency Bonds	-0-	22,600,000	-0-
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19 **(1) Agency Bond Project Reporting Requirement:** Notwithstanding Part

20 II, K., (1) of this Act, the governing board of the University of Kentucky shall certify in
 21 writing prior to issuance of Agency Bonds for the above project that the project will not
 22 result in an increase in tuition or fees. The governing board shall submit a copy of the
 23 certification to the President of the Council on Postsecondary Education, the Secretary of
 24 the Finance and Administration Cabinet, and the Capital Projects and Bond Oversight
 25 Committee.

26 **169.** Construct Building Elevator Systems

27	Agency Bonds	-0-	5,000,000	-0-
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(1) **Agency Bond Project Reporting Requirement:** Notwithstanding Part II, K., (1) of this Act, the governing board of the University of Kentucky shall certify in writing prior to issuance of Agency Bonds for the above project that the project will not result in an increase in tuition or fees. The governing board shall submit a copy of the certification to the President of the Council on Postsecondary Education, the Secretary of the Finance and Administration Cabinet, and the Capital Projects and Bond Oversight Committee.

170. Construct Child Care Facility

Other Funds	-0-	6,000,000	-0-
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(1) **Authorization:** The above authorization is approved pursuant to KRS 45.763.

9. UNIVERSITY OF LOUISVILLE

001. Construct Belknap Research/Academic CONN Center

Restricted Funds	-0-	90,000,000	-0-
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002. Construct Center for the Performing Arts

Restricted Funds	-0-	76,660,000	-0-
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003. Expand Ambulatory Care Building Academic Addition

Other Funds	-0-	67,200,000	-0-
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004. Renovate Medical School Tower

Restricted Funds	-0-	66,643,000	-0-
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005. Construct Administrative Office Building

Restricted Funds	-0-	51,990,000	-0-
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006. Renovate Ekstrom Library

Restricted Funds	-0-	42,070,000	-0-
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007. Guaranteed Energy Savings Performance Contracts

Agency Bonds	-0-	40,000,000	-0-
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008. Expand Miller IT Center Data Center

1	Restricted Funds	-0-	38,000,000	-0-
2	009. Construct Student Recreation Center			
3	Agency Bonds	-0-	37,500,000	-0-
4	010. Purchase Land Near Health Sciences Campus - Parcel I			
5	Restricted Funds	-0-	34,246,000	-0-
6	011. Construct Health Sciences Campus Steam/Chilled Water			
7	Plant II			
8	Other Funds	-0-	33,250,000	-0-
9	012. Renovate Law School			
10	Restricted Funds	-0-	28,925,000	-0-
11	013. Expand and Renovate Life Sciences Building - Additional			
12	Reauthorization (\$30,024,000 Restricted Funds)			
13	Restricted Funds	-0-	27,766,000	-0-
14	014. Construct Soccer Stadium			
15	Other Funds	-0-	26,533,000	-0-
16	(1) Authorization: The above authorization is approved pursuant to KRS			
17	45.763.			
18	015. Construct Instructional Facility in HSC Quad - Additional			
19	Reauthorization (\$16,900,000 Restricted Funds)			
20	Restricted Funds	-0-	25,520,000	-0-
21	016. Construct Executive MBA/Business Program			
22	Other Funds	-0-	23,500,000	-0-
23	(1) Authorization: The above authorization is approved pursuant to KRS			
24	45.763.			
25	017. Construct HSC Research Facility V - Additional Reauthorization			
26	(\$154,000,000 Restricted Funds)			
27	Restricted Funds	-0-	19,270,000	-0-

1	018. Expand and Renovate Founders Union Building Phase II			
2	Restricted Funds	-0-	18,414,000	-0-
3	019. Expand Sackett Hall			
4	Restricted Funds	-0-	16,590,000	-0-
5	020. Purchase Equipment Replacement Research and Instruments			
6	Restricted Funds	-0-	15,000,000	-0-
7	021. Renovate Research Resource Center			
8	Restricted Funds	-0-	13,823,000	-0-
9	022. Construct Athletic Academic Support Facility			
10	Other Funds	-0-	13,266,000	-0-
11	(1) Authorization: The above authorization is approved pursuant to KRS			
12	45.763.			
13	023. Construct Diversity Center for Excellence			
14	Other Funds	-0-	12,580,000	-0-
15	(1) Authorization: The above authorization is approved pursuant to KRS			
16	45.763.			
17	024. Expand Chilled Water and Electrical Service Upgrade			
18	Restricted Funds	-0-	12,000,000	-0-
19	025. Renovate Stevenson Hall			
20	Restricted Funds	-0-	10,898,000	-0-
21	026. Renovate W.S. Speed Building			
22	Restricted Funds	-0-	10,759,000	-0-
23	027. Expand Regional Biocontainment Laboratory			
24	Restricted Funds	-0-	112,000	-0-
25	Federal Funds	-0-	10,000,000	-0-
26	TOTAL	-0-	10,112,000	-0-
27	028. Construct Athletics Office Building			

1	Restricted Funds	-0-	8,398,000	-0-
2	029. Purchase Land Near Belknap Campus North			
3	Other Funds	-0-	8,000,000	-0-
4	(1) Authorization: The above authorization is approved pursuant to KRS			
5	45.763.			
6	030. Renovate Research Imaging Facility			
7	Federal Funds	-0-	7,164,000	-0-
8	031. Purchase Fiber Infrastructure			
9	Federal Funds	-0-	7,000,000	-0-
10	032. Construct Intramural Field Complex			
11	Restricted Funds	-0-	6,980,000	-0-
12	033. Construct Utilities, Remove Overhead Lines - Additional			
13	Reauthorization (\$3,673,000 Restricted Funds)			
14	Restricted Funds	-0-	6,327,000	-0-
15	034. Purchase Land Near Health Sciences Campus Parcel II			
16	Restricted Funds	-0-	6,034,000	-0-
17	035. Purchase Magnetic Resonance Imaging Equipment			
18	Restricted Funds	-0-	3,000,000	3,000,000
19	036. Purchase Land Near Belknap Campus South			
20	Other Funds	-0-	6,000,000	-0-
21	(1) Authorization: The above authorization is approved pursuant to KRS			
22	45.763.			
23	037. Renovate Kentucky Lions Eye Research Institute - Additional			
24	Reauthorization (\$13,230,000 Restricted Funds)			
25	Restricted Funds	-0-	5,984,000	-0-
26	038. Construct 500 Bed Residence Hall			
27	Other Funds	-0-	5,220,000	-0-

1	039. Expand Patterson Baseball Stadium			
2	Other Funds	-0-	4,573,000	-0-
3	(1) Authorization: The above authorization is approved pursuant to KRS			
4	45.763.			
5	040. Purchase Networking System			
6	Restricted Funds	-0-	4,000,000	-0-
7	041. Purchase Computer Processing System			
8	Restricted Funds	-0-	4,000,000	-0-
9	042. Purchase Research Computing Infrastructure			
10	Restricted Funds	-0-	3,500,000	-0-
11	043. Expand Rauch Planetarium			
12	Federal Funds	-0-	3,220,000	-0-
13	044. Renovate College of Education Building - Additional Reauthorization			
14	(\$24,200,000 Restricted Funds)			
15	Restricted Funds	-0-	3,026,000	-0-
16	045. Purchase Magnetic Resonance Imaging System			
17	Federal Funds	-0-	3,000,000	-0-
18	046. Purchase Storage System			
19	Restricted Funds	-0-	3,000,000	-0-
20	047. Renovate/Install Baghouse Dust Collectors			
21	Restricted Funds	-0-	3,000,000	-0-
22	048. Purchase Land Near Health Sciences Campus - Parcel III			
23	Restricted Funds	-0-	3,000,000	-0-
24	049. Purchase Digital Communications System			
25	Restricted Funds	-0-	3,000,000	-0-
26	050. Purchase Enterprise Application System			
27	Restricted Funds	-0-	3,000,000	-0-

1	051. Renovate Capital Renewal Pool - Additional Reauthorization			
2	(\$28,265,000 Restricted Funds)			
3	Restricted Funds	-0-	2,578,000	-0-
4	052. Purchase Positron Emission Tomography System			
5	Federal Funds	-0-	2,500,000	-0-
6	053. Purchase 18.8T Nuclear Magnetic Resonance System			
7	Restricted Funds	-0-	500,000	-0-
8	Federal Funds	-0-	2,000,000	-0-
9	TOTAL	-0-	2,500,000	-0-
10	054. Purchase Small Animal MRI Scanner			
11	Federal Funds	-0-	2,500,000	-0-
12	055. Construct Belknap Campus Welcome Center East			
13	Restricted Funds	-0-	2,499,000	-0-
14	056. Purchase Electronic Research Information System			
15	Restricted Funds	-0-	1,210,000	1,210,000
16	057. Purchase Computational Cluster System			
17	Restricted Funds	-0-	1,200,000	1,200,000
18	058. Renovate Natural Science Building - Additional Reauthorization			
19	(\$18,090,000 Restricted Funds)			
20	Restricted Funds	-0-	2,355,000	-0-
21	059. Purchase Robotic Cranes (2) for Automated Book			
22	Restricted Funds	-0-	2,200,000	-0-
23	060. Expand and Renovate Oppenheimer Hall - Additional Reauthorization			
24	(\$2,725,000 Restricted Funds)			
25	Restricted Funds	-0-	2,067,000	-0-
26	061. Renovate/Replace Gas Boiler in Steam Plant			
27	Restricted Funds	-0-	2,000,000	-0-

1	062. Purchase Visualization System Planetarium			
2	Federal Funds	-0-	2,000,000	-0-
3	063. Construct Boathouse for Women's Rowing Program			
4	Restricted Funds	-0-	1,855,000	-0-
5	064. Renovate Chemistry Fume Hood Redesign Phase II - Additional			
6	Reauthorization (\$13,320,000 Restricted Funds)			
7	Restricted Funds	-0-	1,775,000	-0-
8	065. Renovate Belknap Campus North Entrance			
9	Federal Funds	-0-	1,700,000	-0-
10	066. Renovate Kornhauser Library - Additional Reauthorization			
11	(\$14,217,000 Restricted Funds)			
12	Restricted Funds	-0-	1,673,000	-0-
13	067. Construct Fitness and Health Institute - Additional Reauthorization			
14	(\$14,707,000 Restricted Funds)			
15	Restricted Funds	-0-	1,543,000	-0-
16	068. Purchase High Resolution Tandem Mass Spectrometer			
17	Federal Funds	-0-	1,500,000	-0-
18	069. Renovate College of Business Faculty Offices			
19	Restricted Funds	-0-	1,500,000	-0-
20	070. Purchase Transmission Electron Microscope			
21	Federal Funds	-0-	1,500,000	-0-
22	071. Construct Flexner Way Mall - Hancock to Clay			
23	Restricted Funds	-0-	750,000	-0-
24	Other Funds	-0-	750,000	-0-
25	TOTAL	-0-	1,500,000	-0-
26	072. Renovate Burhans Hall - Additional Reauthorization (\$14,140,000			
27	Restricted Funds)			

1	Restricted Funds	-0-	1,397,000	-0-
2	073. Renovate J.B. Speed Building - Additional Reauthorization			
3	(\$9,892,000 Restricted Funds)			
4	Restricted Funds	-0-	1,248,000	-0-
5	074. Utility Distribution - South Belknap Campus - Additional			
6	Reauthorization (\$10,370,000 Restricted Funds)			
7	Restricted Funds	-0-	1,178,000	-0-
8	075. Purchase Artificial Turf for Field Hockey			
9	Restricted Funds	-0-	1,000,000	-0-
10	076. Lease Digital Output System			
11	Restricted Funds	-0-	1,000,000	-0-
12	077. Purchase Land Downtown for MBA Program			
13	Other Funds	-0-	1,000,000	-0-
14	(1) Authorization: The above authorization is approved pursuant to KRS			
15	45.763.			
16	078. Construct Student Health Facility - Additional Reauthorization			
17	(\$7,640,000 Restricted Funds)			
18	Restricted Funds	-0-	950,000	-0-
19	079. Purchase Plasma Mass Spectrometry System			
20	Federal Funds	-0-	900,000	-0-
21	080. Construct Chestnut Street Garage Speed Ramp			
22	Restricted Funds	-0-	875,000	-0-
23	081. Construct Flexner Way Mall - Preston to Jackson			
24	Restricted Funds	-0-	420,000	-0-
25	Other Funds	-0-	420,000	-0-
26	TOTAL	-0-	840,000	-0-
27	082. Construct Flexner Way Mall - Floyd to Preston			

1	Restricted Funds	-0-	830,000	-0-
2	083. Purchase Plastic Deposition Machine			
3	Federal Funds	-0-	800,000	-0-
4	084. Purchase Focused Ion Beam Microscope			
5	Federal Funds	-0-	800,000	-0-
6	085. Renovate Gross Anatomy Lab - Additional Reauthorization			
7	(\$4,570,000 Restricted Funds)			
8	Restricted Funds	-0-	734,000	-0-
9	086. Purchase Olympus FV1000 Multiphoton Microscope			
10	Restricted Funds	-0-	715,000	-0-
11	087. Purchase Orbitrap Ion Trap Mass Spectrometer			
12	Federal Funds	-0-	712,000	-0-
13	088. Purchase Artificial Turf for Intramural Field			
14	Restricted Funds	-0-	693,000	-0-
15	089. Purchase Computer Systems for College of Education			
16	Restricted Funds	-0-	600,000	-0-
17	090. Renovate Code Improvement Pool - Additional Reauthorization			
18	(\$3,670,000 Restricted Funds)			
19	Restricted Funds	-0-	509,000	-0-
20	091. Purchase Ultra Fast Spectroscopy Facility			
21	Federal Funds	-0-	500,000	-0-
22	092. Purchase Magnetron Sputtering System			
23	Federal Funds	-0-	500,000	-0-
24	093. Purchase Ion Milling System			
25	Federal Funds	-0-	500,000	-0-
26	094. Purchase TeraHertz Spectroscopy			
27	Federal Funds	-0-	500,000	-0-

1	095. Purchase SQUID Magnetometer			
2	Restricted Funds	-0-	500,000	-0-
3	096. Purchase Two - Photon Laser Scanning Microscope			
4	Federal Funds	-0-	500,000	-0-
5	097. Purchase Resonance Raman Spectrometer			
6	Federal Funds	-0-	500,000	-0-
7	098. Purchase Technology Enhanced Classroom			
8	Restricted Funds	-0-	500,000	-0-
9	099. Purchase MoFlo Cell Sorter			
10	Federal Funds	-0-	500,000	-0-
11	100. Purchase Nanomaterial Equipment			
12	Restricted Funds	-0-	500,000	-0-
13	101. Purchase Human Patient Simulators (4)			
14	Restricted Funds	-0-	500,000	-0-
15	102. Purchase MALDI-TOF Mass Spectrometer			
16	Federal Funds	-0-	500,000	-0-
17	103. Renovate Housing Capital Renewal Pool - Additional Reauthorization			
18	(\$3,920,000 Restricted Funds)			
19	Restricted Funds	-0-	480,000	-0-
20	104. Purchase BD FACSAria II Cell Sorter			
21	Federal Funds	-0-	450,000	-0-
22	105. Purchase Spectral Confocal Microscope			
23	Federal Funds	-0-	440,000	-0-
24	106. Purchase Ultraview ERS 6FO Confocal Microscope			
25	Restricted Funds	-0-	420,000	-0-
26	107. Purchase ION Mobility Mass Spectrometry System			
27	Federal Funds	-0-	410,000	-0-

1	108. Purchase Additive Microdeposition Machine			
2	Federal Funds	-0-	400,000	-0-
3	109. Purchase Live Cell Intracellular Nanoprobe Station			
4	Federal Funds	-0-	400,000	-0-
5	110. Purchase Nikon A1 Confocal Microscope			
6	Federal Funds	-0-	400,000	-0-
7	111. Purchase Multi-Head Sputtering System			
8	Federal Funds	-0-	400,000	-0-
9	112. Purchase Multispectral Imaging Flow Cytometer			
10	Restricted Funds	-0-	390,000	-0-
11	113. Purchase VEVO 2100 Micro-Ultrasound System			
12	Federal Funds	-0-	350,000	-0-
13	114. Purchase Temperature and Humidity Control System (5)			
14	Restricted Funds	-0-	325,000	-0-
15	115. Purchase PCs, Printers, and Scanners for Libraries			
16	Restricted Funds	-0-	318,000	-0-
17	116. Purchase Visual Sonics High Resolution In-Vivo Imaging			
18	System			
19	Federal Funds	-0-	304,000	-0-
20	117. Purchase Laser Jet Cutting System			
21	Federal Funds	-0-	300,000	-0-
22	118. Purchase Spray Develop/Etching System			
23	Federal Funds	-0-	300,000	-0-
24	119. Purchase Cathodoluminescence System			
25	Federal Funds	-0-	300,000	-0-
26	120. Purchase Gene Chip Scanner			
27	Federal Funds	-0-	300,000	-0-

1	121. Purchase VisEn FMT-2500 Imaging System			
2	Restricted Funds	-0-	300,000	-0-
3	122. Purchase 9.4T Nuclear Magnetic Resonance System			
4	Restricted Funds	-0-	100,000	-0-
5	Federal Funds	-0-	200,000	-0-
6	TOTAL	-0-	300,000	-0-
7	123. Purchase Transmission Electron Microscope			
8	Federal Funds	-0-	300,000	-0-
9	124. Purchase Reactive Ion Etching System			
10	Federal Funds	-0-	300,000	-0-
11	125. Purchase Library Chairs and Tables			
12	Restricted Funds	-0-	275,000	-0-
13	126. Purchase BioRad XPR36 Protein Interaction Array System			
14	Restricted Funds	-0-	254,000	-0-
15	127. Purchase Confocal Microscope			
16	Federal Funds	-0-	250,000	-0-
17	128. Purchase Hysitron Nanoindenter			
18	Federal Funds	-0-	225,000	-0-
19	129. Purchase Arcturus XT Laser Capture Microdissection Instruments			
20	Federal Funds	-0-	215,000	-0-
21	130. Purchase Atomic Force Microscope			
22	Federal Funds	-0-	200,000	-0-
23	131. Purchase Biological Material Deposition Machine			
24	Federal Funds	-0-	200,000	-0-
25	132. Purchase Liquid Chromatography Mass Spectrometer			
26	Federal Funds	-0-	200,000	-0-
27	133. Purchase Optogenetics System			

1	Federal Funds	-0-	200,000	-0-
2	134. Purchase Fluorescence Imaging System			
3	Federal Funds	-0-	200,000	-0-
4	135. Purchase Shared Memory Computer			
5	Restricted Funds	-0-	200,000	-0-
6	136. Construct Physical Plant Space in Health Sciences Campus			
7	Garage - Additional Reauthorization (\$2,027,000 Restricted			
8	Funds)			
9	Restricted Funds	-0-	164,000	-0-
10	137. Purchase Artificial Turf Practice Field Facility Reauthorization			
11	(\$865,000 Restricted Funds)			
12	138. Med Center One - Lease			
13	139. Student Health Facility - Lease			
14	140. Master of Fine Arts - Lease			
15	141. Jefferson County Housing - Lease			
16	142. College of Business/Executive MBA Program - Lease			
17	143. West Louisville Center for Community Health, Education			
18	Outreach - Lease			
19	144. Ambulatory Care Building - Lease			
20	145. HSC Communication Sciences - Lease			
21	146. HSC Off Campus Office Space - Lease			
22	10. WESTERN KENTUCKY UNIVERSITY			
23	001. Renovate Downing University Center Phase III			
24	Restricted Funds	-0-	4,000,000	-0-
25	Agency Bonds	-0-	33,500,000	-0-
26	TOTAL	-0-	37,500,000	-0-
27	002. Underground Infrastructure Repair and Replacement			

1	Restricted Funds	-0-	35,000,000	-0-
2	003. Construct Agriculture Research Services Lab			
3	Federal Funds	-0-	22,825,000	-0-
4	004. Construct Next Generation UI-LO Emission Coal - Fired			
5	Heat Plant			
6	Federal Funds	-0-	20,000,000	-0-
7	005. Construct Honors College Facility			
8	Restricted Funds	-0-	2,000,000	-0-
9	Other Funds	-0-	12,000,000	-0-
10	TOTAL	-0-	14,000,000	-0-
11	006. Center for Research and Development Infrastructure and			
12	Renovations			
13	Federal Funds	-0-	10,500,000	-0-
14	007. Renovate Elizabethtown Research Center			
15	Federal Funds	-0-	10,000,000	-0-
16	008. Capital Renewal Pool			
17	Restricted Funds	-0-	10,000,000	-0-
18	009. Construct Alumni Facility			
19	Other Funds	-0-	7,000,000	-0-
20	010. Renovate Tate Page Hall			
21	Restricted Funds	-0-	6,000,000	-0-
22	011. Construct Mesonet Computer Center			
23	Restricted Funds	-0-	800,000	-0-
24	Federal Funds	-0-	5,000,000	-0-
25	TOTAL	-0-	5,800,000	-0-
26	012. Construct Center for Dairy Education and Innovation			
27	Federal Funds	-0-	5,000,000	-0-

1	013. Construct SKyTeach Program Facility			
2	Federal Funds	-0-	5,000,000	-0-
3	014. Construct Fit-Out of Leased Space			
4	Restricted Funds	-0-	4,175,000	-0-
5	015. Purchase Property for Campus Expansion			
6	Restricted Funds	-0-	3,000,000	-0-
7	016. Research Equipment for Ogden Campus			
8	Federal Funds	-0-	3,000,000	-0-
9	017. Renovate Downing University Center			
10	Restricted Funds	-0-	3,000,000	-0-
11	018. Renovate and Expand Knicely Center Phase III			
12	Restricted Funds	-0-	2,500,000	-0-
13	019. Environmental Science and Technology Hall Design			
14	Restricted Funds	-0-	2,500,000	-0-
15	020. Equipment Pool			
16	Restricted Funds	-0-	2,500,000	-0-
17	021. Construct Track Facilities			
18	Restricted Funds	-0-	2,500,000	-0-
19	022. Upgrade IT Infrastructure			
20	Restricted Funds	-0-	2,300,000	-0-
21	023. Renovate Radcliff Business Incubator			
22	Federal Funds	-0-	2,000,000	-0-
23	024. Purchase Shuttle Buses			
24	Federal Funds	-0-	2,000,000	-0-
25	025. Renovate Underground Electrical Infrastructure Phased			
26	Restricted Funds	-0-	2,000,000	-0-
27	026. Convert WKYU-NPR and WKYU-PBS to Digital/HD			

1	Restricted Funds	-0-	2,000,000	-0-
2	027. Repair Parking Structure 1 Phase I			
3	Restricted Funds	-0-	1,750,000	-0-
4	028. Construct Agriculture Research Services Greenhouse/Headhouse			
5	Federal Funds	-0-	1,745,000	-0-
6	029. Renovate Property for International Program			
7	Restricted Funds	-0-	3,800,000	-0-
8	030. Construct Scale-Up Compost Heat Greenhouse			
9	Federal Funds	-0-	1,500,000	-0-
10	031. Improve University Drive Intersection			
11	Restricted Funds	-0-	240,000	-0-
12	Federal Funds	-0-	960,000	-0-
13	TOTAL	-0-	1,200,000	-0-
14	032. Central Regional Postsecondary Education Center Design			
15	- BRAC			
16	Restricted Funds	-0-	1,200,000	-0-
17	033. Interior Renovation Jones Jagers			
18	Restricted Funds	-0-	1,000,000	-0-
19	034. TIF Parking Garage			
20	035. Guaranteed Energy Savings Performance Contracts			

21 **11. KENTUCKY COMMUNITY AND TECHNICAL COLLEGE SYSTEM**

22 **(1) Lexington Community College Classroom/Lab Building:** The Kentucky
 23 Community and Technical College System is authorized to construct the LCC
 24 Classroom/Lab Building appropriated in 2005 Ky. Acts ch. 173, Part II, K., 12., 019., on
 25 state property currently known as the main campus of Eastern State Hospital.

26 **(2) Conveyance of Property:** The Kentucky Community and Technical College
 27 System may undertake a capital construction project under the provisions of Part I, K.,

1 11., (4), of this Act.

2 **001. Capital Renewal and Deferred Maintenance Pool**

3 Restricted Funds -0- 19,000,000 19,000,000

4 **002. Renovate Downtown Campus Phase II - JCTC - Additional**

5 Restricted Funds -0- 28,612,000 -0-

6 **003. KCTCS Equipment Pool**

7 Restricted Funds -0- 20,000,000 -0-

8 **004. Renovate Academic/LRC Building - Ashland CTC**

9 Restricted Funds -0- 20,000,000 -0-

10 **005. KCTCS Information Technology Infrastructure Upgrade**

11 Restricted Funds -0- 12,000,000 -0-

12 **006. Renovate Classroom Facility Phase I Urban Campus - Gateway**

13 CTC

14 Restricted Funds -0- 11,850,000 -0-

15 **007. Construct Transportation Tech Building, Boone Campus**

16 - Gateway CTC

17 Restricted Funds -0- 9,704,000 -0-

18 **008. KCTCS Property Acquisition Pool**

19 Restricted Funds -0- 5,500,000 -0-

20 **009. Reroof and Enclose Concourses Gray Building - Madisonville**

21 CC

22 Restricted Funds -0- 3,600,000 -0-

23 **010. Construct Child Development Center - Henderson CC**

24 Restricted Funds -0- 3,484,000 -0-

25 **011. Design Newtown Campus Phase II**

26 Restricted Funds -0- 3,300,000 -0-

27 **012. Construct Child Care Facility - Ashland CTC**

1	Restricted Funds	-0-	1,676,000	-0-
2	013. Renovate Telford Hall, Lees Campus - Hazard CTC			
3	Restricted Funds	-0-	1,500,000	-0-
4	014. Acquisition of Park Hills Property - Gateway CTC			
5	Restricted Funds	-0-	1,500,000	-0-
6	015. Construct CPAT Center, State Fire and Rescue Training			
7	Restricted Funds	-0-	1,500,000	-0-
8	016. Purchase Virtual Classroom 3D Simulator - Hazard CTC			
9	Restricted Funds	-0-	950,000	-0-
10	Federal Funds	-0-	500,000	-0-
11	TOTAL	-0-	1,450,000	-0-
12	017. Construct Licking Valley Center Phase II - Maysville CTC			
13	- Additional Reauthorization (\$3,459,000 Restricted Funds,			
14	\$1,500,000 Other Funds)			
15	Restricted Funds	-0-	1,000,000	-0-
16	018. Construct Cosmetology Building - Ashland CTC			
17	Restricted Funds	-0-	980,000	-0-
18	019. Master Plan Development and Upgrade Pool			
19	Restricted Funds	-0-	850,000	-0-
20	020. Construct Parking Lots and Drives - Henderson CC			
21	Restricted Funds	900,000	-0-	-0-
22	021. Renovate Building for Skilled Crafts Training Center - WKCTC			
23	Restricted Funds	-0-	1,200,000	-0-
24	022. Purchase Defensive Driving Trainers			
25	Restricted Funds	-0-	600,000	-0-
26	023. Purchase Combine for Agriculture Program - Hopkinsville			
27	CC			

1	Restricted Funds	-0-	290,000	-0-
2	024. Purchase Articulated Haul Truck - Hazard CTC			
3	Restricted Funds	-0-	125,000	-0-
4	Federal Funds	-0-	125,000	-0-
5	TOTAL	-0-	250,000	-0-
6	025. Purchase Front End Loader - Hazard CTC			
7	Restricted Funds	-0-	166,000	-0-
8	Federal Funds	-0-	84,000	-0-
9	TOTAL	-0-	250,000	-0-
10	026. Purchase Horizontal Milling Machine - Hopkinsville CC			
11	Restricted Funds	-0-	250,000	-0-
12	027. Purchase and Improve Real Property - Downtown Jefferson			
13	CTC Reauthorization (\$10,500,000 Restricted Funds)			
14	(1) Use of Funds: The funds reauthorized for the Purchase and Improve			
15	Real Property - Downtown Jefferson CTC project may be used to purchase any			
16	appropriate property near or adjacent to the downtown campus of the Jefferson			
17	Community and Technical College.			
18	028. KCTCS System Office Lease-Purchase			
19	029. Jefferson CTC - Jefferson Education Center - Lease			
20	030. Advanced Manufacturing Training Center - Lease			
21	031. Bullitt County Campus Jefferson CTC - Lease			
22	032. South Campus, Bluegrass Community and Technical College - Lease			
23	033. Maysville CTC Montgomery County Center - Lease			
24	034. Guaranteed Energy Savings Performance Contracts			
25	035. Acquire Land - Carroll County			
26	Restricted Funds	-0-	300,000	-0-
27	Other Funds	-0-	300,000	-0-

1 TOTAL -0- 600,000 -0-

2 (1) **Authorization:** The above authorization is approved pursuant to KRS
3 45.763.

4 **L. PUBLIC PROTECTION CABINET**

5 **Budget Units** 2010-11 2011-12

6 **1. HOUSING, BUILDINGS AND CONSTRUCTION**

7 001. Franklin County - Lease

8 **2. INSURANCE**

9 001. Franklin County - Lease

10 **M. TOURISM, ARTS AND HERITAGE CABINET**

11 **Budget Units** 2009-10 2010-11 2011-12

12 **1. PARKS**

13 001. Maintenance Pool - 2010-2012

14 Bond Funds -0- 3,500,000 1,725,000

15 **2. HORSE PARK COMMISSION**

16 001. Maintenance Pool - 2010-2012

17 Investment Income -0- 575,000 575,000

18 **3. STATE FAIR BOARD**

19 001. Maintenance Pool - 2010-2012

20 Restricted Funds -0- 2,000,000 2,000,000

21 002. Access Control System

22 Restricted Funds 3,096,700 -0- -0-

23 003. Cowger Parking Garage Repair

24 Capital Construction Surplus -0- 400,000 -0-

25 **4. FISH AND WILDLIFE RESOURCES**

26 001. Fees-in-Lieu-of Stream Mitigation Projects Pool

27 Restricted Funds -0- 10,000,000 10,000,000

1	002. Land Acquisition Pool			
2	Restricted Funds	-0-	5,000,000	5,000,000
3	003. Pfeiffer Hatchery Renovation			
4	Restricted Funds	-0-	625,000	-0-
5	Federal Funds	-0-	1,875,000	-0-
6	TOTAL	-0-	2,500,000	-0-
7	004. Minor Clark Hatchery Renovation			
8	Restricted Funds	-0-	625,000	-0-
9	Federal Funds	-0-	1,875,000	-0-
10	TOTAL	-0-	2,500,000	-0-
11	005. Maintenance Pool - 2010-2012			
12	Restricted Funds	-0-	1,000,000	1,000,000
13	006. Boating and Fishing Access Pool			
14	Federal Funds	-0-	600,000	600,000
15	5. HISTORICAL SOCIETY			
16	001. Kentucky History Center - Purchase Casework Reauthorization			
17	(\$250,000 Capital Construction Surplus)			
18	6. KENTUCKY CENTER FOR THE ARTS			
19	001. Maintenance Pool - 2010-2012			
20	Investment Income	-0-	160,000	160,000

21 **N. COAL SEVERANCE TAX PROJECTS**

22 **(1) Projects Authorization and Appropriation:** Notwithstanding KRS
23 42.4588(2) and (4), the following projects are authorized and appropriated from Local
24 Government Economic Development Fund moneys from the respective single county
25 fund pursuant to KRS 42.4592 for public purposes in the following coal-producing
26 counties in the manner and amounts enumerated. These projects are determined by the
27 General Assembly to be important to the furtherance of the public policy objectives and

economic development purposes for which the Local Government Economic Development Program was established. The amounts appropriated are estimates. Actual expenditures and encumbrances shall be limited to the actual receipts realized and available in the respective single county fund. These amounts are composed of estimated receipts for fiscal year 2009-2010, fiscal year 2010-2011, and fiscal year 2011-2012 in combination with prior unobligated balances in the respective single county funds. To the extent that a county that is authorized to proceed with a project enumerated below receives more single county Local Government Economic Development Fund moneys than are appropriated in this Act, the county may direct those funds to offset a cost overrun on any of the projects enumerated below upon approval of the Commissioner of the Department for Local Government.

(2) Projects Not To Be Duplicated: Notwithstanding KRS 42.4588(2) and (4), to avoid duplication of appropriations for the line-item coal severance tax projects authorized in this section, the following projects are authorized and appropriated for the amounts enumerated below under the condition that the project has not received, or already been authorized by the Department for Local Development to receive, funding prior to the effective date of this Act.

(3) Authorization for Current Year Coal Severance Tax Projects: The following projects authorized for fiscal year 2009-2010 shall remain authorized for the 2010-2012 fiscal biennium.

(4) Project Prioritization: Notwithstanding KRS 42.4588, the following projects shall have priority over projects that have been authorized prior to the effective date of this Act by the Department for Local Government to receive funding.

(5) Water and Sewer Projects: The following projects that are related to water and sewer shall be administered by the Kentucky Infrastructure Authority.

Budget Units	2009-10	2010-11	2011-12
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1. GENERAL GOVERNMENT

1 a. Department for Local Government

2 **Bell County**

3 **001.** Bell County Board of Education - Board Project - Operations

4 Restricted Funds -0- 25,000 -0-

5 **002.** Bell County Board of Education - Cops in School - Operations

6 Restricted Funds -0- 30,000 30,000

7 **003.** Bell County Board of Education - K-6 Little League Football - Equipment

8 Restricted Funds -0- 3,000 3,000

9 **004.** Bell County Fiscal Court - Bell County Senior Citizens Center - Supplies -

10 Operations

11 Restricted Funds -0- 10,000 10,000

12 **005.** Bell County Fiscal Court - Bell - Whitley CAA - Operations - Supplies

13 Restricted Funds -0- 15,000 15,000

14 **006.** Bell County Fiscal Court - Bell County Agi Council - Equipment

15 Restricted Funds -0- 10,000 10,000

16 **007.** Bell County Fiscal Court - Bell County Cemetery Board - Equipment -

17 Operations

18 Restricted Funds -0- 10,000 10,000

19 **008.** Bell County Fiscal Court - Bell County Conservation District - Operations -

20 Supplies

21 Restricted Funds -0- 7,500 7,500

22 **009.** Bell County Fiscal Court - Bell County Health Department - Supplies -

23 Equipment

24 Restricted Funds -0- 5,000 5,000

25 **010.** Bell County Fiscal Court - Bell County Historical Society - Operations

26 Restricted Funds -0- 5,000 5,000

27 **011.** Bell County Fiscal Court - Bell County Homeless Shelter - Operations -

1	Supplies			
2	Restricted Funds	-0-	5,000	5,000
3	012. Bell County Fiscal Court - Bell County Industrial Foundation - Operations -			
4	Project			
5	Restricted Funds	-0-	50,000	50,000
6	013. Bell County Fiscal Court - Bell County Literacy Council - Operations -			
7	Supplies			
8	Restricted Funds	-0-	3,000	3,000
9	014. Bell County Fiscal Court - Bell County Little League Baseball - Equipment			
10	Restricted Funds	-0-	2,000	2,000
11	015. Bell County Fiscal Court - Bell County Middlesboro Airport - Operations			
12	Restricted Funds	-0-	5,000	5,000
13	016. Bell County Fiscal Court - Bell County Sheriff's Department - Vehicles -			
14	Equipment			
15	Restricted Funds	-0-	75,000	75,000
16	017. Bell County Fiscal Court - Bell County Solid Waste - Operations - Equipment			
17	Restricted Funds	-0-	20,000	20,000
18	018. Bell County Fiscal Court - Bell County Veterans Park - Improvements			
19	Restricted Funds	-0-	5,000	5,000
20	019. Bell County Fiscal Court - Browinis Creek Park - Improvements			
21	Restricted Funds	-0-	25,000	-0-
22	020. Bell County Fiscal Court - County Clerk - Equipment			
23	Restricted Funds	-0-	2,000	2,000
24	021. Bell County Fiscal Court - Frakes Senior Citizens Center - Operations -			
25	Supplies			
26	Restricted Funds	-0-	5,000	5,000
27	022. Bell County Fiscal Court - Friends of the Shelter - Spay and Neuter Clinics			

1	Restricted Funds	-0-	5,000	5,000
2	023. Bell County Fiscal Court - Hospice of the Bluegrass - Bell County Chapter -			
3	Operations			
4	Restricted Funds	-0-	5,000	5,000
5	024. Bell County Fiscal Court - Light House Mission - Operations - Equipment			
6	Restricted Funds	-0-	15,000	15,000
7	025. Bell County Fiscal Court - Middlesboro ARH Hospital - Medicaid Match			
8	Restricted Funds	-0-	50,000	50,000
9	026. Bell County Fiscal Court - Middlesboro Public Library - Supplies			
10	Restricted Funds	-0-	5,000	5,000
11	027. Bell County Fiscal Court - Operations - Equipment - Projects			
12	Restricted Funds	-0-	186,307	345,697
13	028. Bell County Fiscal Court - Pine Mountain First Tee - Operations			
14	Restricted Funds	-0-	5,000	5,000
15	029. Bell County Fiscal Court - Pineville Public Library - Supplies			
16	Restricted Funds	-0-	5,000	5,000
17	030. Bell County Fiscal Court - PVA - Operations and Equipment			
18	Restricted Funds	-0-	2,000	2,000
19	031. Bell County Fiscal Court - Red Bird Senior Citizens Center - Operations -			
20	Supplies			
21	Restricted Funds	-0-	5,000	5,000
22	032. City of Middlesboro - City Projects			
23	Restricted Funds	-0-	50,000	50,000
24	033. City of Middlesboro - Fire Department - Cascade System			
25	Restricted Funds	-0-	25,000	-0-
26	034. City of Middlesboro - Little League Baseball and T Ball - Equipment			
27	Restricted Funds	-0-	2,000	2,000

1	035. City of Middlesboro - Main Street Project - Supplies - Operations			
2	Restricted Funds	-0-	20,000	-0-
3	036. City of Pineville - City Projects			
4	Restricted Funds	-0-	40,000	40,000
5	037. City of Pineville - Fire Department - Equipment			
6	Restricted Funds	-0-	10,000	-0-
7	038. City of Pineville - Main Street Project - Supplies - Operations			
8	Restricted Funds	-0-	20,000	-0-
9	039. City of Pineville - Police Department - Equipment			
10	Restricted Funds	-0-	10,000	-0-
11	040. Middlesboro Independent Board of Education - Board Projects			
12	Restricted Funds	-0-	25,000	-0-
13	041. Middlesboro Independent Board of Education - K-6 Little League Football -			
14	Equipment			
15	Restricted Funds	-0-	3,000	3,000
16	042. Pineville Independent Board of Education - Board Projects			
17	Restricted Funds	-0-	25,000	-0-
18	043. Pineville Independent Board of Education - K-6 Little League Football -			
19	Equipment			
20	Restricted Funds	-0-	3,000	3,000
21	Boyd County			
22	001. Ashland Independent Board of Education - Building and Ground			
23	Improvements and other Initiatives			
24	Restricted Funds	-0-	50,000	-0-
25	002. Boyd County Board of Education - Building and Ground Improvements and			
26	other Initiatives			
27	Restricted Funds	-0-	50,000	-0-

1	003. Boyd County Fiscal Court - Boyd County Fair - Additions - Improvements			
2	Restricted Funds	-0-	15,000	-0-
3	004. Boyd County Fiscal Court - Economic and Recreational Development			
4	Initiatives			
5	Restricted Funds	-0-	-0-	50,000
6	005. Boyd County Fiscal Court - Safe Harbor - Construction - Renovations -			
7	Improvements and other Initiatives			
8	Restricted Funds	-0-	25,000	-0-
9	006. City of Ashland - Economic Development - Tourism Incentives			
10	Restricted Funds	-0-	10,000	-0-
11	007. City of Ashland - Highlands Museum - Education - Tourism and other			
12	Improvements - Initiatives			
13	Restricted Funds	-0-	-0-	25,000
14	008. City of Catlettsburg - City Beautification and other Improvements			
15	Restricted Funds	-0-	-0-	25,000
16	009. Fairview Independent Board of Education - HVAC System Upgrades and			
17	Energy Efficiency Improvements			
18	Restricted Funds	-0-	75,000	-0-
19	Breathitt County			
20	001. Breathitt County Board of Education - Blacktop and Ground Improvements at			
21	Various Breathitt County Schools			
22	Restricted Funds	-0-	200,000	-0-
23	002. Breathitt County Board of Education - Site Preparation for Landfill Relating			
24	to Lakeside Road Project - Tile - Equipment			
25	Restricted Funds	-0-	-0-	200,000
26	003. Breathitt County Fiscal Court - Breathitt County Attorney's Office -			
27	Technology Upgrades - Equipment - Computers - Office Furnishings			

1	Restricted Funds	-0-	25,000	-0-
2	004. Breathitt County Fiscal Court - Breathitt County Early Childhood Center -			
3	Equipment, Supplies, Materials, Grounds and Staff Assistance			
4	Restricted Funds	-0-	100,000	-0-
5	005. Breathitt County Fiscal Court - Breathitt County Museum and Welcome			
6	Center - Building and Improvements			
7	Restricted Funds	-0-	-0-	250,000
8	006. Breathitt County Fiscal Court - Breathitt County PVA - Technology Upgrades			
9	- Remodeling - Equipment			
10	Restricted Funds	-0-	25,000	-0-
11	007. Breathitt County Fiscal Court - Canoe Volunteer Fire Department -			
12	Equipment - Building - Road Improvements			
13	Restricted Funds	-0-	-0-	25,000
14	008. Breathitt County Fiscal Court - Huston Water - Water Line Extension to			
15	Walter Combs Home			
16	Restricted Funds	-0-	-0-	275,000
17	009. Breathitt County Fiscal Court - Malone - Miller Skate Park			
18	Restricted Funds	-0-	50,000	-0-
19	010. Breathitt County Fiscal Court - Nim Henson Geriatric Center - Generator -			
20	Equipment - Roof Repair and Replacement			
21	Restricted Funds	-0-	150,000	-0-
22	011. Breathitt County Fiscal Court - Panbow Hollow/Panbow Hill - Water Line			
23	Extensions			
24	Restricted Funds	-0-	247,067	-0-
25	012. Breathitt County Fiscal Court - Payment of Water Line Debt			
26	Restricted Funds	-0-	250,000	-0-
27	013. City of Jackson - Jackson City Fire Department - Equipment - Improvements			

1	Restricted Funds	-0-	-0-	50,000
2	014. City of Jackson - Jackson City Police Department - Equipment and			
3	Operations			
4	Restricted Funds	-0-	25,000	-0-
5	015. City of Jackson - Lost Creek Water Tank			
6	Restricted Funds	-0-	150,000	-0-
7	016. City of Jackson - Purchase Two New Work Trucks			
8	Restricted Funds	-0-	-0-	49,342
9	017. Jackson Independent Board of Education - Jackson City School - Equipment -			
10	Supplies - Improvements			
11	Restricted Funds	-0-	-0-	100,000
12	Clay County			
13	001. City of Manchester - Purchase of City Hall			
14	Restricted Funds	-0-	125,000	125,000
15	002. Clay County Fiscal Court - General Government - EMS General Fund			
16	Construction Recovery			
17	Restricted Funds	-0-	400,000	-0-
18	003. Clay County Fiscal Court - Ten Volunteer Fire Departments - Equipment -			
19	Operations			
20	Restricted Funds	-0-	-0-	80,000
21	004. Clay County Fiscal Court - Transportation - Equipment - Maintenance			
22	Restricted Funds	-0-	47,000	79,000
23	Crittenden County			
24	001. Crittenden County Fiscal Court - Detention Center - Debt Reduction			
25	Restricted Funds	-0-	173,178	97,642
26	Daviess County			
27	001. Daviess County Fiscal Court - Economic Development - Incentives			

1	Restricted Funds	-0-	43,488	41,752
2	Elliott County			
3	001. Elliott County Fiscal Court - Elliott County Ambulance Services - Upgrades -			
4	Improvements			
5	Restricted Funds	-0-	40,000	40,000
6	002. Elliott County Fiscal Court - Elliott County Public Library - Improvements -			
7	Operations and other Initiatives			
8	Restricted Funds	-0-	20,000	20,000
9	003. Elliott County Fiscal Court - Laurel Gorge Center - Improvements -			
10	Operations and other Initiatives			
11	Restricted Funds	-0-	20,000	20,000
12	Floyd County			
13	001. City of Allen - Allen Park - General Maintenance			
14	Restricted Funds	-0-	40,000	40,000
15	002. City of Allen - Allen Park Recreation Building			
16	Restricted Funds	200,000	5,000	5,000
17	003. City of Allen - Ball Park Improvements			
18	Restricted Funds	-0-	10,000	10,000
19	004. City of Martin - Martin Fire Department - Equipment			
20	Restricted Funds	-0-	2,600	2,600
21	005. City of Martin - Martin Senior Citizens - Operating			
22	Restricted Funds	-0-	10,000	10,000
23	006. City of Prestonsburg - Floyd County Rescue Squad - Equipment, Operations,			
24	and Repairs			
25	Restricted Funds	-0-	25,000	25,000
26	007. City of Prestonsburg - Mountain Arts Center			
27	Restricted Funds	-0-	75,000	75,000

1	008.	City of Prestonsburg - Mountain Comp. Care - Layne House Education			
2		Restricted Funds	-0-	30,000	30,000
3	009.	City of Prestonsburg - Mountain Top Recreational - Repairs, Maintenance,			
4		and Renovations to Stonecrest			
5		Restricted Funds	-0-	150,000	200,000
6	010.	City of Prestonsburg - Parks and Recreation			
7		Restricted Funds	-0-	20,000	-0-
8	011.	City of Prestonsburg - Prestonsburg Fire Department #1 - Equipment			
9		Restricted Funds	-0-	2,600	2,600
10	012.	City of Prestonsburg - Prestonsburg Fire Department #2 - Equipment			
11		Restricted Funds	-0-	2,600	2,600
12	013.	City of Prestonsburg - Prestonsburg Senior Citizens - Operating			
13		Restricted Funds	-0-	10,000	10,000
14	014.	City of Prestonsburg - VFW Post 5839 - Equipment and Improvements			
15		Restricted Funds	-0-	1,500	1,500
16	015.	City of Wayland - Wayland Fire Department			
17		Restricted Funds	-0-	2,600	2,600
18	016.	City of Wayland - Wayland Park			
19		Restricted Funds	-0-	2,500	2,500
20	017.	City of Wayland - Wayland Senior Citizens - Operating			
21		Restricted Funds	-0-	10,000	10,000
22	018.	City of Wheelwright - Senior Citizens - Main Operating Building - Repairs			
23		and Renovations			
24		Restricted Funds	18,900	-0-	-0-
25	019.	City of Wheelwright - Wheelwright Fire Department - Equipment			
26		Restricted Funds	-0-	2,600	2,600
27	020.	City of Wheelwright - Wheelwright Rt 306 - Repairs			

1	Restricted Funds	325,000	-0-	-0-
2	021. City of Wheelwright - Wheelwright Senior Citizens - Operating			
3	Restricted Funds	-0-	10,000	10,000
4	022. City of Wheelwright - Wheelwright Swimming Pool			
5	Restricted Funds	20,000	25,000	25,000
6	023. Floyd County Board of Education - Academics and Athletics - High Schools			
7	Restricted Funds	-0-	100,000	100,000
8	024. Floyd County Board of Education - Drift Ball Park Lighting			
9	Restricted Funds	-0-	75,000	-0-
10	025. Floyd County Board of Education - Wheelwright Gym Repair			
11	Restricted Funds	-0-	100,000	-0-
12	026. Floyd County Fiscal Court - American Legion Post 283 - Equipment and			
13	Improvements			
14	Restricted Funds	-0-	1,500	1,500
15	027. Floyd County Fiscal Court - Big Sandy Regional Airport - Terminal Repairs			
16	and Rehabilitation			
17	Restricted Funds	-0-	50,000	-0-
18	028. Floyd County Fiscal Court - County Fire Departments - Distributed Equally -			
19	Equipment			
20	Restricted Funds	-0-	41,600	41,600
21	029. Floyd County Fiscal Court - Courthouse - Renovation and HVAC			
22	Restricted Funds	-0-	50,000	-0-
23	030. Floyd County Fiscal Court - DAV Post #128 - Equipment and Operations			
24	Restricted Funds	65,000	5,000	5,000
25	031. Floyd County Fiscal Court - DAV Post #169 - Equipment and Operations			
26	Restricted Funds	-0-	5,000	5,000
27	032. Floyd County Fiscal Court - DAV Post #18 - Equipment and Operations			

1	Restricted Funds	-0-	5,000	5,000
2	033. Floyd County Fiscal Court - Elkhorn Park - Maintenance and Repairs			
3	Restricted Funds	-0-	12,500	12,500
4	034. Floyd County Fiscal Court - Floyd County Drug Court			
5	Restricted Funds	-0-	50,000	50,000
6	035. Floyd County Fiscal Court - Floyd County Health Department - Colon Cancer			
7	Screening/Care			
8	Restricted Funds	-0-	50,000	-0-
9	036. Floyd County Fiscal Court - Highland Autistic School - Autism Scholarships			
10	Restricted Funds	-0-	75,000	75,000
11	037. Floyd County Fiscal Court - Left Beaver Rescue Squad - Equipment and			
12	Repairs			
13	Restricted Funds	-0-	10,000	10,000
14	038. Floyd County Fiscal Court - Martin American Veterans - Equipment and			
15	Improvements			
16	Restricted Funds	-0-	1,500	1,500
17	039. Floyd County Fiscal Court - Martin Community Center - Floor and other			
18	Repairs			
19	Restricted Funds	-0-	100,000	-0-
20	040. Floyd County Fiscal Court - Minnie Park - Restrooms and Sewer and Various			
21	Improvements			
22	Restricted Funds	-0-	100,000	25,000
23	041. Floyd County Fiscal Court - Mud Creek Park - Development and Site			
24	Acquisition			
25	Restricted Funds	-0-	25,000	25,000
26	042. Floyd County Fiscal Court - Purchase Dump Truck			
27	Restricted Funds	-0-	-0-	80,000

1	043.	Floyd County Fiscal Court - Renovations and Improvements - German			
2		Bridge Camping Area			
3		Restricted Funds	-0-	25,000	25,000
4	044.	Floyd County Fiscal Court - Senior Citizens - Mud Creek, McDowell, Betsy			
5		Layne - Equally - Operating			
6		Restricted Funds	-0-	30,000	30,000
7	045.	Floyd County Fiscal Court - Veterans Cemetery			
8		Restricted Funds	-0-	50,000	50,000
9	046.	Floyd County Fiscal Court - Wayland Historical Society - Renovation,			
10		Planning, Development and Construction - Mountain Sports Hall of Fame			
11		Restricted Funds	-0-	74,400	-0-
12	047.	Prestonsburg City Utilities - PCUC - Lakeview Water and Sewer Systems			
13		Extension			
14		Restricted Funds	-0-	100,000	-0-
15	Greenup County				
16	001.	City of Flatwoods - Russell/Flatwoods Meals on Wheels			
17		Restricted Funds	1,000	-0-	-0-
18	002.	City of Greenup - Meals on Wheels			
19		Restricted Funds	1,000	-0-	-0-
20	003.	City of Greenup - Park and Downtown Improvements			
21		Restricted Funds	5,000	-0-	-0-
22	004.	City of South Shore - Fullerton/South Portsmouth Welcome Area			
23		Restricted Funds	25,000	-0-	-0-
24	005.	City of South Shore - Meals on Wheels			
25		Restricted Funds	1,000	-0-	-0-
26	006.	City of Worthington - Raceland/Worthington Meals on Wheels			
27		Restricted Funds	1,000	-0-	-0-

1	007. Greenup County Board of Education - Wurtland Walking/Running Track			
2	Restricted Funds	6,000	-0-	-0-
3	Hancock County			
4	001. Hancock County Fiscal Court - Owensboro Community and Technical			
5	College - Hancock Branch			
6	Restricted Funds	-0-	31,228	29,981
7	Harlan County			
8	001. Harlan County Fiscal Court - Cawood Ledford Boys and Girls Club -			
9	Operations, Maintenance and Equipment			
10	Restricted Funds	-0-	40,000	40,000
11	002. Harlan County Fiscal Court - Challenge Academy - Operations			
12	Restricted Funds	-0-	420,000	240,000
13	003. Harlan County Fiscal Court - County Road Department - Equipment and/or			
14	Building			
15	Restricted Funds	-0-	100,000	100,000
16	004. Harlan County Fiscal Court - Debt Service			
17	Restricted Funds	-0-	877,881	1,229,721
18	005. Harlan County Fiscal Court - District Projects			
19	Restricted Funds	-0-	220,000	220,000
20	006. Harlan County Fiscal Court - Fire Departments - Equally Divided -			
21	Equipment			
22	Restricted Funds	-0-	75,000	-0-
23	007. Harlan County Fiscal Court - Harlan County Senior Citizens Center -			
24	Operations, Maintenance and Equipment			
25	Restricted Funds	-0-	50,000	50,000
26	008. Harlan County Fiscal Court - Jail - Construction			
27	Restricted Funds	-0-	150,000	-0-

1	009.	Harlan County Fiscal Court - Old Courthouse - Repairs			
2		Restricted Funds	-0-	100,000	100,000
3	010.	Harlan County Fiscal Court - Rescue Squad - Equally Divided			
4		Restricted Funds	-0-	30,000	-0-
5	011.	Harlan County Fiscal Court - Tri-City Senior Citizens Center - Operations,			
6		Maintenance and Equipment			
7		Restricted Funds	-0-	10,000	10,000
8	012.	Harlan County Fiscal Court - Wallins Creek Fellowship Center - Operations,			
9		Maintenance and Equipment			
10		Restricted Funds	-0-	10,000	10,000
11	Henderson County				
12	001.	Henderson County Fiscal Court - AED's Defibrillators for Each of the			
13		Volunteer Fire Departments in Henderson County and Henderson County			
14		Courthouse, Gross Clay Lindsey Judicial Center and Road Department (Total			
15		14 AED's)			
16		Restricted Funds	-0-	35,000	-0-
17	002.	Henderson County Fiscal Court - Audubon State Park Garden - Retaining			
18		Wall			
19		Restricted Funds	-0-	25,000	-0-
20	003.	Henderson County Fiscal Court - Audubon State Park Theater -			
21		Improvements			
22		Restricted Funds	-0-	100,000	-0-
23	004.	Henderson County Fiscal Court - Boat Ramp Located on Green River			
24		between Spottsville and Sebree - Construction			
25		Restricted Funds	-0-	20,000	-0-
26	005.	Henderson County Fiscal Court - Boat Ramp Located on Ohio River between			
27		Second Street and Diamon Island - Construction			

1	Restricted Funds	-0-	20,000	-0-
2	006. Henderson County Fiscal Court - City/County Bike Path - Improvements			
3	Restricted Funds	-0-	75,000	-0-
4	007. Henderson County Fiscal Court - Community Service at Road Department -			
5	Break and Locker Room - Improvements			
6	Restricted Funds	-0-	40,000	-0-
7	008. Henderson County Fiscal Court - County Park - Bridge			
8	Restricted Funds	-0-	75,000	-0-
9	009. Henderson County Fiscal Court - Four Star Industrial Park - Improvements			
10	Restricted Funds	-0-	45,000	-0-
11	010. Henderson County Fiscal Court - Johnny Mathias Outdoor Arena - Extension			
12	at Fairgrounds			
13	Restricted Funds	-0-	60,000	-0-
14	011. Henderson County Fiscal Court - North West Kentucky Energy Initiative			
15	Restricted Funds	-0-	10,000	-0-
16	012. Henderson County Fiscal Court - Promote Tourism - Festivals - Handy -			
17	Bluegrass			
18	Restricted Funds	-0-	20,000	-0-
19	013. Henderson County Fiscal Court - Reconstruct - Recycled Building from			
20	College on New County Park Property - Maintenance Shop			
21	Restricted Funds	-0-	25,000	-0-
22	014. Henderson County Fiscal Court - Samuel Hopkins Historical Cemetery -			
23	Improvements			
24	Restricted Funds	-0-	75,000	-0-
25	015. Henderson County Fiscal Court - Smithmills and Spottsville - Upgrade for			
26	Boat Ramps - Lighting			
27	Restricted Funds	-0-	10,000	-0-

1	016.	Henderson County Water District - Larue Road Water Line Extension			
2		(WX21101102)			
3		Restricted Funds	-0-	42,000	-0-
4	017.	Henderson County Water District - Rucker Road #2 Water Line			
5		Replacement/Relocation (WX21101101)			
6		Restricted Funds	-0-	36,000	-0-
7	018.	Henderson County Water District - Tillman Bethel Road - Water Line			
8		Extension			
9		Restricted Funds	-0-	25,000	-0-
10	019.	Henderson County Water District - Walter Road Line Extension			
11		(WX21101103)			
12		Restricted Funds	-0-	33,000	-0-
13	Hopkins County				
14	001.	City of Dawson Springs - City Hall			
15		Restricted Funds	-0-	50,000	50,000
16	002.	City of Earlington - City Hall			
17		Restricted Funds	-0-	50,000	50,000
18	003.	City of Mortons Gap - City Building			
19		Restricted Funds	-0-	100,000	100,000
20	004.	City of Nebo - Community Center Renovations			
21		Restricted Funds	-0-	50,000	50,000
22	005.	City of White Plains - Purchase Generators			
23		Restricted Funds	-0-	50,000	-0-
24	006.	Hopkins County Fiscal Court - Road Projects and Equipment			
25		Restricted Funds	-0-	200,000	200,000
26	007.	Hopkins County Fiscal Court - Sports Complex			
27		Restricted Funds	-0-	500,000	500,000

1	008. Hopkins County Fiscal Court - Unallocated Projects			
2	Restricted Funds	-0-	83,000	123,000
3	009. Hopkins County Fiscal Court - Volunteer Fire Departments - Equipment and			
4	Projects			
5	Restricted Funds	-0-	70,000	70,000
6	010. Madisonville Community College - Brown Badgett Advanced Energy and			
7	Technology Center - Training Units			
8	Restricted Funds	-0-	141,000	-0-
9	011. Madisonville Community College - Mechatronics Unit			
10	Restricted Funds	-0-	-0-	151,000
11	012. Madisonville Community College - School Counts Project			
12	Restricted Funds	-0-	10,000	10,000
13	Jackson County			
14	001. Jackson County Fiscal Court - Appalachian Food Center - Annville - Serves			
15	Jackson, Laurel, and Clay Counties - Mobile Processing - Kitchen Equipment			
16	- One Full-Time Job and Five Part-Time Jobs			
17	Restricted Funds	-0-	150,000	-0-
18	002. Jackson County Fiscal Court - Farmer's Market - Equipment - Tables - Work			
19	Area			
20	Restricted Funds	-0-	50,000	-0-
21	003. Jackson County Fiscal Court - Gray Hawk Fire Department - Equipment			
22	Restricted Funds	-0-	-0-	17,000
23	004. Jackson County Fiscal Court - McKee Fire Department - Equipment			
24	Restricted Funds	-0-	-0-	17,000
25	005. Jackson County Fiscal Court - Pond Creek Fire Department - Equipment			
26	Restricted Funds	-0-	-0-	17,000
27	006. Jackson County Fiscal Court - Pond Creek Fire Department - Upgrade			

1	Building			
2	Restricted Funds	-0-	197,441	-0-
3	007. Jackson County Fiscal Court - Sand Gap Fire Department - Equipment			
4	Restricted Funds	-0-	-0-	17,000
5	008. Jackson County Fiscal Court - Senior Citizens Center - Equipment			
6	Restricted Funds	-0-	40,000	40,000
7	Johnson County			
8	001. Johnson County Fiscal Court - Fire Departments - Equipment - Supplies			
9	Restricted Funds	-0-	35,000	35,000
10	002. Johnson County Fiscal Court - Pharmacy School Infrastructure/Scholarships			
11	Restricted Funds	-0-	100,000	100,000
12	003. Johnson County Fiscal Court - Recreation - Equipment - Supplies - Upgrades			
13	Restricted Funds	-0-	25,000	25,000
14	004. Johnson County Fiscal Court - Senior Citizens - Supplies			
15	Restricted Funds	-0-	25,000	25,000
16	005. Johnson County Fiscal Court - Water Projects - Upgrades			
17	Restricted Funds	-0-	50,000	50,000
18	Knott County			
19	001. City of Hindman - Water and Sewer - Loan Payoff			
20	Restricted Funds	-0-	500,000	-0-
21	002. Knott County Fiscal Court - Hospice of the Bluegrass			
22	Restricted Funds	-0-	-0-	50,000
23	003. Knott County Fiscal Court - Human Services and Senior Citizen Center -			
24	Building Improvements			
25	Restricted Funds	-0-	75,000	-0-
26	004. Knott County Fiscal Court - Kentucky School of Craft			
27	Restricted Funds	-0-	-0-	100,000

1	005. Knott County Fiscal Court - Knott County Clerk's Office - Equipment			
2	Restricted Funds	-0-	-0-	10,000
3	006. Knott County Fiscal Court - Knott County Fire Departments - (\$7500 each			
4	Department)			
5	Restricted Funds	-0-	75,000	75,000
6	007. Knott County Fiscal Court - Knott County Parks and Community Centers			
7	Restricted Funds	-0-	10,000	10,000
8	008. Knott County Fiscal Court - Knott County Sportsplex - Bond Payment,			
9	Equipment and Improvements			
10	Restricted Funds	-0-	790,000	790,000
11	009. Knott County Fiscal Court - Knott County Vocational School - Renovation			
12	Project			
13	Restricted Funds	-0-	10,000	-0-
14	010. Knott County Fiscal Court - Troublesome Creek Environmental Authority			
15	Bond Payment			
16	Restricted Funds	-0-	375,000	350,000
17	011. Knott County Fiscal Court - Various Adventure Tourism Projects			
18	Restricted Funds	-0-	250,000	200,000
19	012. Knott County Fiscal Court - Water and Sewer Projects			
20	Restricted Funds	-0-	1,900,000	1,900,000
21	Laurel County			
22	001. Laurel County Fiscal Court - Baldrock Fire Department - Equipment			
23	Restricted Funds	-0-	7,000	7,400
24	002. Laurel County Fiscal Court - Bush Fire Department - Equipment			
25	Restricted Funds	-0-	7,000	7,400
26	003. Laurel County Fiscal Court - Campground Fire Department - Equipment			
27	Restricted Funds	-0-	7,000	7,400

1	004. Laurel County Fiscal Court - Colony Fire Department - Equipment			
2	Restricted Funds	-0-	7,000	7,400
3	005. Laurel County Fiscal Court - Crossroads Fire Department - Equipment			
4	Restricted Funds	-0-	7,000	7,400
5	006. Laurel County Fiscal Court - East Bernstadt Fire Department - Equipment			
6	Restricted Funds	-0-	7,000	7,400
7	007. Laurel County Fiscal Court - Keavy Fire Department - Equipment			
8	Restricted Funds	-0-	7,000	7,400
9	008. Laurel County Fiscal Court - Laurel County Fire Department - Equipment			
10	Restricted Funds	-0-	7,000	7,400
11	009. Laurel County Fiscal Court - Laurel County Rescue Squad			
12	Restricted Funds	-0-	7,000	7,400
13	010. Laurel County Fiscal Court - Lily Fire Department - Equipment			
14	Restricted Funds	-0-	7,000	7,400
15	011. Laurel County Fiscal Court - London Fire Department - Equipment			
16	Restricted Funds	-0-	7,000	7,400
17	012. Laurel County Fiscal Court - McWhorter Fire Department - Equipment			
18	Restricted Funds	-0-	7,000	7,400
19	013. Laurel County Fiscal Court - Tourist Commission for History and Genealogy			
20	Center			
21	Restricted Funds	-0-	10,000	-0-
22	Lawrence County			
23	001. City of Blaine - City Beautification and other Improvements			
24	Restricted Funds	-0-	15,000	-0-
25	002. City of Louisa - City Beautification and other Improvements			
26	Restricted Funds	-0-	25,000	-0-
27	003. Lawrence County Board of Education - Equally Divided Among the			

1	Elementary Schools, Middle School, and High School - Technology -			
2	Curriculum and Educational Improvements and other Initiatives			
3	Restricted Funds	-0-	-0-	50,000
4	004. Lawrence County Board of Education - HVAC System Upgrades and Energy			
5	Efficiency Improvements			
6	Restricted Funds	-0-	-0-	125,000
7	005. Lawrence County Fiscal Court - County Parks and Recreation - Improvements			
8	- Additions			
9	Restricted Funds	-0-	40,000	40,000
10	006. Lawrence County Fiscal Court - Fallsburg Community Center - Building and			
11	Ground Improvements			
12	Restricted Funds	-0-	10,000	-0-
13	007. Lawrence County Fiscal Court - Lawrence County Economic Development			
14	Center - Renovations - Improvements and Energy Efficiency Efforts			
15	Restricted Funds	-0-	125,000	15,000
16	008. Lawrence County Fiscal Court - Lawrence County Industrial Park -			
17	Improvements - Additions			
18	Restricted Funds	-0-	40,000	40,000
19	009. Lawrence County Fiscal Court - Seven Fire Departments and Lawrence			
20	County Emergency Management - Equally Divided			
21	Restricted Funds	-0-	40,000	40,000
22	010. Lawrence County Fiscal Court - Sewer Line Extensions - Improvements			
23	Restricted Funds	-0-	75,000	-0-
24	011. Lawrence County Fiscal Court - Water Line Extensions			
25	Restricted Funds	-0-	35,000	35,000
26	Lee County			
27	001. Lee County Fiscal Court - Bear Track Park - Improvements			

1	Restricted Funds	-0-	-0-	10,000
2	002. Lee County Fiscal Court - Design, Planning and Land Acquisition for Health			
3	Department			
4	Restricted Funds	-0-	200,000	125,000
5	003. Lee County Fiscal Court - Happy Top Park - Equipment			
6	Restricted Funds	-0-	9,296	-0-
7	004. Lee County Fiscal Court - Heidelberg Park - Improvements			
8	Restricted Funds	-0-	-0-	10,000
9	005. Lee County Fiscal Court - Lee County Ambulance Service - Two Used			
10	Ambulances			
11	Restricted Funds	-0-	25,000	25,000
12	006. Lee County Fiscal Court - Lee County Courthouse - Improvements			
13	Restricted Funds	-0-	-0-	40,000
14	007. Lee County Fiscal Court - Lee County Fire Departments - Equipment -			
15	Materials			
16	Restricted Funds	-0-	-0-	30,000
17	008. Lee County Fiscal Court - Lee County Jailer - Purchase Vehicle			
18	Restricted Funds	-0-	25,000	-0-
19	009. Lee County Fiscal Court - Lee County Rescue Squad - Equipment			
20	Restricted Funds	-0-	-0-	10,000
21	010. Lee County Fiscal Court - Lee County Road Department - Equipment and			
22	Vehicles			
23	Restricted Funds	-0-	100,000	26,947
24	011. Lee County Fiscal Court - Lee County Youth - Sports - Equipment - Supplies			
25	Restricted Funds	-0-	-0-	20,000
26	012. Lee County Fiscal Court - Skate Park - Improvements			
27	Restricted Funds	-0-	50,000	-0-

1	013. Lee County Fiscal Court - Spray Park - Phase Two Water Project			
2	Restricted Funds	-0-	100,000	-0-
3	Leslie County			
4	001. City of Hyden - Project 7 - Wellness Center - City Park - Pedway Project -			
5	Equipment - Operations - Construction			
6	Restricted Funds	-0-	200,000	-0-
7	002. Leslie County Board of Education - Project 8 - High School Breezeway			
8	Project - Construction			
9	Restricted Funds	-0-	100,000	-0-
10	003. Leslie County Fiscal Court - Project 1 - Six Volunteer Fire Departments -			
11	Equipment - Operations - Construction			
12	Restricted Funds	-0-	60,000	60,000
13	004. Leslie County Fiscal Court - Project 10 - HCTCS Leslie County Campus -			
14	Maintenance - Operations			
15	Restricted Funds	-0-	75,000	-0-
16	005. Leslie County Fiscal Court - Project 11 - Leslie County High School -			
17	Technology Enhancements			
18	Restricted Funds	-0-	80,000	-0-
19	006. Leslie County Fiscal Court - Project 12 - Transportation - Equipment -			
20	Resurfacing			
21	Restricted Funds	-0-	75,000	30,000
22	007. Leslie County Fiscal Court - Project 13 - Leslie County Drug Awareness			
23	Program - School Programs			
24	Restricted Funds	-0-	-0-	25,000
25	008. Leslie County Fiscal Court - Project 14 - Hurricane Creek Mine Disaster			
26	Memorial - Construction			
27	Restricted Funds	-0-	50,000	-0-

1	009.	Leslie County Fiscal Court - Project 2 - 911 Equipment - Operations -			
2		Construction			
3		Restricted Funds	-0-	300,000	300,000
4	010.	Leslie County Fiscal Court - Project 3 - Beechfork - Cutsbin - Hyden -			
5		Stinnett Community Centers - Equipment - Operations - Divided Equally			
6		Restricted Funds	-0-	400,000	400,000
7	011.	Leslie County Fiscal Court - Project 4 - Stinnett Community Center - Senior			
8		Citizens Food Services Program			
9		Restricted Funds	-0-	50,000	50,000
10	012.	Leslie County Fiscal Court - Project 5 - Leslie County Detention Center -			
11		Equipment - Operations - Construction			
12		Restricted Funds	-0-	415,000	440,000
13	013.	Leslie County Fiscal Court - Project 6 - Mary Breckinridge Hospital - ICU -			
14		Surgery Expansion			
15		Restricted Funds	-0-	125,000	-0-
16	014.	Leslie County Fiscal Court - Project 9 - Leslie County Firefighters			
17		Association - Firefighters Memorial			
18		Restricted Funds	-0-	25,000	-0-
19	Letcher County				
20	001.	City of Fleming-Neon - Improvements - Maintenance			
21		Restricted Funds	-0-	50,000	100,000
22	002.	City of Jenkins - Improvements - Maintenance			
23		Restricted Funds	-0-	50,000	100,000
24	003.	City of Whitesburg - Improvements - Maintenance			
25		Restricted Funds	-0-	50,000	100,000
26	004.	Letcher County Fiscal Court - Appalachian Child Care Center - Debt Service			
27		Restricted Funds	-0-	12,000	-0-

1	005. Letcher County Fiscal Court - ARH/ Uncompensated Care Grant			
2	Restricted Funds	-0-	50,000	50,000
3	006. Letcher County Fiscal Court - Community Centers - Maintenance - Repairs			
4	Restricted Funds	-0-	50,000	50,000
5	007. Letcher County Fiscal Court - County Clerk - Equipment			
6	Restricted Funds	-0-	25,000	25,000
7	008. Letcher County Fiscal Court - Domestic Violence Shelter - Operational			
8	Improvements			
9	Restricted Funds	-0-	50,000	50,000
10	009. Letcher County Fiscal Court - Fire Departments - Equipment - Supplies			
11	Restricted Funds	-0-	200,000	-0-
12	010. Letcher County Fiscal Court - Fire Training Center at Neon - Upgrades -			
13	Maintenance			
14	Restricted Funds	-0-	100,000	-0-
15	011. Letcher County Fiscal Court - Fleming/Neon Senior Citizens Center -			
16	Building and Repairs			
17	Restricted Funds	-0-	100,000	-0-
18	012. Letcher County Fiscal Court - Kids Day Committee			
19	Restricted Funds	-0-	10,000	10,000
20	013. Letcher County Fiscal Court - Letcher County Health Department - Colon			
21	Cancer Screening Care			
22	Restricted Funds	-0-	50,000	-0-
23	014. Letcher County Fiscal Court - Letcher Fire and Rescue - Fire Truck			
24	Restricted Funds	-0-	200,000	-0-
25	015. Letcher County Fiscal Court - Little Shepherd Amphitheatre - Improvements			
26	Restricted Funds	-0-	-0-	50,000
27	016. Letcher County Fiscal Court - McRoberts Community Center - Equipment			

1	Restricted Funds	-0-	25,000	-0-
2	017. Letcher County Fiscal Court - Mountain Outreach - Building Improvements			
3	Restricted Funds	-0-	-0-	50,000
4	018. Letcher County Fiscal Court - Parks and Recreation - Maintenance - Repairs			
5	Restricted Funds	-0-	240,000	240,000
6	019. Letcher County Fiscal Court - Pine Mountain Search and Rescue - Equipment			
7	Restricted Funds	-0-	25,000	-0-
8	020. Letcher County Fiscal Court - Planning Commission - Project Planning			
9	Restricted Funds	-0-	25,000	25,000
10	021. Letcher County Fiscal Court - Recreational Center - Debt Service			
11	Restricted Funds	-0-	600,000	600,000
12	022. Letcher County Fiscal Court - Sanitation Department - Operations -			
13	Maintenance - Repairs			
14	Restricted Funds	-0-	100,000	100,000
15	023. Letcher County Fiscal Court - Senior Citizens Center - Maintenance - Repairs			
16	- Building Needs			
17	Restricted Funds	-0-	200,000	200,000
18	024. Letcher County Fiscal Court - Sheriff's Department - Equipment			
19	Restricted Funds	-0-	25,000	25,000
20	025. Letcher County Fiscal Court - Tourism - Operations			
21	Restricted Funds	-0-	75,000	75,000
22	026. Letcher County Fiscal Court - Veterans Museum - Repairs - Maintenance			
23	Restricted Funds	-0-	-0-	50,000
24	027. Letcher County Fiscal Court - Water and Sewer - Various Projects			
25	Restricted Funds	-0-	1,053,000	-0-
26	Magoffin County			
27	001. City of Salyersville - Maple Leaf Park			

1	Restricted Funds	-0-	100,000	-0-
2	002. City of Salyersville - Salyersville Fire Department - Purchase of Truck			
3	Restricted Funds	-0-	100,000	-0-
4	003. City of Salyersville - Salyersville Parkway Lift Station Project (SX21153521)			
5	Restricted Funds	-0-	100,000	-0-
6	004. Magoffin County Fiscal Court - Bloomington Volunteer Fire Department			
7	Restricted Funds	-0-	60,000	-0-
8	005. Magoffin County Fiscal Court - Magoffin County Rescue - Equipment -			
9	Supplies			
10	Restricted Funds	-0-	25,000	-0-
11	006. Magoffin County Fiscal Court - Park Renovation			
12	Restricted Funds	-0-	15,000	75,000
13	007. Magoffin County Fiscal Court - REACH			
14	Restricted Funds	-0-	20,000	-0-
15	008. Magoffin County Fiscal Court - Senior Citizens Center - Supplies -			
16	Operations			
17	Restricted Funds	-0-	25,000	25,000
18	009. Magoffin County Fiscal Court - Sheriff's Department - Equipment - Supplies -			
19	Vehicles			
20	Restricted Funds	-0-	75,000	-0-
21	010. Magoffin County Fiscal Court - South Magoffin Volunteer Fire Department -			
22	Building Construction			
23	Restricted Funds	-0-	76,000	-0-
24	011. Magoffin County Fiscal Court - South Magoffin Volunteer Fire Department -			
25	Personal Protective Equipment			
26	Restricted Funds	-0-	-0-	25,000
27	012. Magoffin County Health Department - Debt Service Retirement			

1	Restricted Funds	-0-	75,000	75,000
2	013. Magoffin County Library Board - Renovations or Debt Service Reduction			
3	Restricted Funds	-0-	100,000	100,000
4	014. Salyersville Water Works - Salyersville Raw Water Supply Project - Drilled			
5	Production Wells (WX21153519)			
6	Restricted Funds	-0-	-0-	500,000
7	015. Salyersville Water Works - Salyersville Water Plant Improvements Project			
8	(WX21153517)			
9	Restricted Funds	-0-	500,000	-0-
10	Martin County			
11	001. Martin County Fiscal Court - Big Sandy Regional Airport - Terminal Repairs			
12	and Rehabilitation			
13	Restricted Funds	-0-	50,000	-0-
14	002. Martin County Fiscal Court - Family Resource Centers			
15	Restricted Funds	-0-	60,000	-0-
16	003. Martin County Fiscal Court - Inez Library			
17	Restricted Funds	-0-	15,000	-0-
18	004. Martin County Fiscal Court - Martin County Health Department - Colon			
19	Cancer Screening/Care			
20	Restricted Funds	-0-	50,000	-0-
21	005. Martin County Fiscal Court - Senior Citizens Meals on Wheels			
22	Restricted Funds	-0-	15,000	-0-
23	006. Martin County Fiscal Court - Warfield Fire Department - Equipment			
24	Restricted Funds	-0-	50,000	-0-
25	Menifee County			
26	001. Menifee County Board of Education - HOPE - Abstinence Education			
27	Restricted Funds	-0-	5,000	5,000

1	002. Menifee County Board of Education - Transport Van			
2	Restricted Funds	-0-	-0-	20,000
3	003. Menifee County Board of Education - Video and Communication Room			
4	Restricted Funds	-0-	7,500	-0-
5	004. Menifee County Fiscal Court - Broke Leg Falls Park - Improvements			
6	Restricted Funds	-0-	-0-	12,000
7	005. Menifee County Fiscal Court - Fire Department Building			
8	Restricted Funds	-0-	216,400	-0-
9	006. Menifee County Fiscal Court - Gateway House Homeless Shelter			
10	Restricted Funds	-0-	-0-	3,900
11	007. Menifee County Fiscal Court - Menifee Animal Shelter - Improvements -			
12	Supplies			
13	Restricted Funds	-0-	-0-	25,000
14	008. Menifee County Fiscal Court - Senior Citizens Center - Planning and Design			
15	Restricted Funds	-0-	-0-	25,000
16	009. Menifee County Project Worth and Education Center - Food Pantry and			
17	Supplies			
18	Restricted Funds	-0-	-0-	6,000
19	010. Menifee County Sheriff's Department - Office Building Remodel - Equipment			
20	and Building Improvements			
21	Restricted Funds	-0-	-0-	10,000
22	011. Menifee County Sheriff's Department - Operation Unite			
23	Restricted Funds	-0-	-0-	10,000
24	012. Menifee County Sheriff's Office - Neighbors Unite Crime Watch Program			
25	Restricted Funds	-0-	5,000	5,000
26	Morgan County			
27	001. City of West Liberty - Food Bank - Helping Hands Food Pantry			

1	Restricted Funds	-0-	5,000	-0-
2	002. City of West Liberty - Morgan County Appalachian Regional Hospital and St.			
3	Claire Regional Medical Center			
4	Restricted Funds	-0-	100,000	-0-
5	003. City of West Liberty - Side Walk Repairs			
6	Restricted Funds	-0-	10,000	-0-
7	004. City of West Liberty - West Liberty/Morgan County Fire Department			
8	Building			
9	Restricted Funds	-0-	200,000	-0-
10	005. Morgan County Board of Education - HOPE - Abstinence Education			
11	Restricted Funds	-0-	5,000	5,000
12	006. Morgan County Fiscal Court - Eight Fire Departments and One Rescue Squad			
13	- Equally Divided			
14	Restricted Funds	-0-	90,000	-0-
15	007. Morgan County Fiscal Court - Equipment - Road Maintenance and Snow			
16	Removal			
17	Restricted Funds	-0-	75,000	-0-
18	008. Morgan County Fiscal Court - Gateway House Homeless Shelter			
19	Restricted Funds	-0-	5,000	5,000
20	009. Morgan County Public Library - Purchase Books			
21	Restricted Funds	-0-	25,000	-0-
22	010. Morgan County Schools - Youth Health and Wellness Drug Prevention			
23	Program			
24	Restricted Funds	-0-	50,000	50,000
25	011. Morgan County Sheriff's Department - Operation Unite			
26	Restricted Funds	-0-	10,000	-0-
27	012. Morgan County Sheriff's Department - Sheriff's Department - Equipment			

1	Purchase			
2	Restricted Funds	-0-	-0-	50,000
3	Muhlenberg County			
4	001. City of Drakesboro - Sewer Line - Replacement - Improvements			
5	Restricted Funds	-0-	170,000	-0-
6	002. City of Greenville - Downtown Renovation			
7	Restricted Funds	-0-	100,000	-0-
8	003. City of Greenville - Muhlenberg Community Theater - Renovation			
9	Restricted Funds	-0-	-0-	25,000
10	004. Muhlenberg County Fiscal Court - Courthouse - Renovation			
11	Restricted Funds	-0-	500,000	500,000
12	005. Muhlenberg County Fiscal Court - Support of Muhlenberg Economic			
13	Enterprises - Industrial Recruitment/Office Expenses			
14	Restricted Funds	-0-	50,000	50,000
15	006. Muhlenberg County Water District #1 - Purchase Generators			
16	Restricted Funds	-0-	20,000	-0-
17	007. Muhlenberg County Water District #3 - Purchase Generators			
18	Restricted Funds	-0-	100,000	-0-
19	Ohio County			
20	001. Ohio County Fiscal Court - Animal Shelter - Construction			
21	Restricted Funds	-0-	-0-	60,000
22	002. Ohio County Fiscal Court - Equipment Purchases			
23	Restricted Funds	-0-	129,667	64,490
24	003. Ohio County Fiscal Court - Upgrade and Repair County Roads			
25	Restricted Funds	-0-	71,212	-0-
26	Owsley County			
27	001. City of Booneville - Purchase - Street Lights			

1	Restricted Funds	-0-	35,000	-0-
2	002. City of Booneville - Sewer and Water Line Extensions			
3	Restricted Funds	-0-	195,303	-0-
4	003. Owsley County Fiscal Court - Action Place - Improvements			
5	Restricted Funds	-0-	75,000	-0-
6	004. Owsley County Fiscal Court - Land Purchase			
7	Restricted Funds	-0-	100,000	100,000
8	005. Owsley County Fiscal Court - Owsley County Library - Grounds - Equipment			
9	Restricted Funds	-0-	25,000	25,000
10	006. Owsley County Fiscal Court - Purchase - Splash Pool			
11	Restricted Funds	-0-	-0-	93,393
12	Perry County			
13	001. City of Hazard - City of Hazard			
14	Restricted Funds	-0-	50,000	50,000
15	002. Perry County Fiscal Court - Buckhorn Water System - Improvements			
16	Restricted Funds	-0-	100,000	-0-
17	003. Perry County Fiscal Court - Challenger Center			
18	Restricted Funds	-0-	75,000	75,000
19	004. Perry County Fiscal Court - County Radio System Tower			
20	Restricted Funds	-0-	-0-	150,000
21	005. Perry County Fiscal Court - Fire Department and Rescue - Equipment			
22	Restricted Funds	-0-	130,000	130,000
23	006. Perry County Fiscal Court - Hazard Independent School - Supplies -			
24	Improvements			
25	Restricted Funds	-0-	150,000	150,000
26	007. Perry County Fiscal Court - Hospice of the Bluegrass - Hazard In-Patient			
27	Facility			

1	Restricted Funds	-0-	100,000	100,000
2	008. Perry County Fiscal Court - North Perry Water - Extensions			
3	Restricted Funds	-0-	-0-	250,000
4	009. Perry County Fiscal Court - Perry County Fiscal Court			
5	Restricted Funds	-0-	220,000	300,000
6	010. Perry County Fiscal Court - Perry County Park - Improvements			
7	Restricted Funds	-0-	50,000	-0-
8	011. Perry County Fiscal Court - Perry County Schools - Supplies - Improvements			
9	Restricted Funds	-0-	200,000	200,000
10	012. Perry County Fiscal Court - Retire 2009 Lease Obligation for Road Projects			
11	Restricted Funds	-0-	2,000,000	-0-
12	013. Perry County Fiscal Court - South Perry Water - Extensions			
13	Restricted Funds	-0-	-0-	300,000
14	014. Perry County Fiscal Court - University College of the Mountains			
15	Restricted Funds	-0-	150,000	150,000
16	015. Perry County Fiscal Court - Vicco			
17	Restricted Funds	-0-	50,000	50,000
18	Pike County			
19	001. City of Coal Run Village - Infrastructure - Improvements			
20	Restricted Funds	-0-	175,000	175,000
21	002. City of Elkhorn City - Elkhorn City Housing			
22	Restricted Funds	-0-	45,000	45,000
23	003. City of Elkhorn City - Infrastructure - Improvements			
24	Restricted Funds	-0-	50,000	50,000
25	004. City of Elkhorn City - Water and Sewer Infrastructure			
26	Restricted Funds	-0-	50,000	50,000
27	005. City of Elkhorn City - Whitewater Project Design			

1	Restricted Funds	-0-	-0-	40,000
2	006. City of Pikeville - Infrastructure - Equipment - Project Planning			
3	Restricted Funds	-0-	125,000	200,000
4	007. City of Pikeville - Storm Water Separation Project			
5	Restricted Funds	-0-	175,000	175,000
6	008. City of Pikeville - Various Water and Sewer Projects			
7	Restricted Funds	-0-	799,000	321,000
8	009. Mountain Water District - Debt Service			
9	Restricted Funds	-0-	375,000	375,000
10	010. Mountain Water District - Majestic Alternative Sewer Project			
11	Restricted Funds	-0-	592,000	592,000
12	011. Mountain Water District - Tank and Pump Station Rehab			
13	Restricted Funds	-0-	375,000	375,000
14	012. Pike County Board of Education - Belfry High School - Pike Central High			
15	School - East Ridge High School - Phelps High School - Shelby Valley High			
16	School - Belfry Middle School - Instructional Equipment			
17	Restricted Funds	-0-	280,000	-0-
18	013. Pike County Board of Education - STEM Program			
19	Restricted Funds	-0-	25,000	25,000
20	014. Pike County Fiscal Court - Artist Collaborative Theater (ACT)			
21	Restricted Funds	-0-	50,000	50,000
22	015. Pike County Fiscal Court - Belfry Fire Department - South Williamson			
23	Station Construction - Building Project			
24	Restricted Funds	-0-	100,000	100,000
25	016. Pike County Fiscal Court - Big Creek Fire Department - Building Project			
26	Restricted Funds	-0-	100,000	-0-
27	017. Pike County Fiscal Court - Big Sandy Heritage Center - Improvements			

1	Restricted Funds	-0-	25,000	-0-
2	018. Pike County Fiscal Court - Blackberry Senior Citizens - Building Project			
3	Restricted Funds	-0-	30,000	-0-
4	019. Pike County Fiscal Court - Child Advocacy Center Property Acquisition and			
5	Debt Service			
6	Restricted Funds	-0-	25,000	25,000
7	020. Pike County Fiscal Court - Dorton Building Project			
8	Restricted Funds	-0-	100,000	-0-
9	021. Pike County Fiscal Court - Dorton Fire Department - Equipment Acquisition			
10	Restricted Funds	-0-	-0-	50,000
11	022. Pike County Fiscal Court - East Kentucky Expo Center			
12	Restricted Funds	-0-	200,000	200,000
13	023. Pike County Fiscal Court - Elkhorn City Fire Department - Equipment			
14	Acquisition			
15	Restricted Funds	-0-	50,000	-0-
16	024. Pike County Fiscal Court - EQT Site Preparation			
17	Restricted Funds	-0-	750,000	-0-
18	025. Pike County Fiscal Court - Ferrells Creek NHW Property Acquisition			
19	Restricted Funds	-0-	50,000	-0-
20	026. Pike County Fiscal Court - Grapevine Volunteer Fire Department			
21	Restricted Funds	-0-	-0-	50,000
22	027. Pike County Fiscal Court - Hatfield Fire Department - Equipment			
23	Restricted Funds	-0-	50,000	-0-
24	028. Pike County Fiscal Court - HELP			
25	Restricted Funds	-0-	25,000	25,000
26	029. Pike County Fiscal Court - IFLOWS Rain and Stream Gauges - Shelby Valley			
27	Watershed			

1	Restricted Funds	-0-	-0-	30,000
2	030. Pike County Fiscal Court - Joes Creek Building Project			
3	Restricted Funds	-0-	10,000	-0-
4	031. Pike County Fiscal Court - Kentucky HOPE			
5	Restricted Funds	-0-	25,000	25,000
6	032. Pike County Fiscal Court - Kimper Building - Completion			
7	Restricted Funds	-0-	100,000	-0-
8	033. Pike County Fiscal Court - Magisterial District Infrastructure			
9	Restricted Funds	-0-	600,000	600,000
10	034. Pike County Fiscal Court - Marrowbone Senior Citizens - Vehicle Acquisition			
11	Restricted Funds	-0-	30,000	-0-
12	035. Pike County Fiscal Court - Millard Fire Department - Equipment Acquisition			
13	Restricted Funds	-0-	-0-	50,000
14	036. Pike County Fiscal Court - Mouthcard Building Project Completion			
15	Restricted Funds	-0-	50,000	-0-
16	037. Pike County Fiscal Court - Phelps Fire Department - Equipment Acquisition			
17	Restricted Funds	-0-	50,000	-0-
18	038. Pike County Fiscal Court - Phelps Road Department Building			
19	Restricted Funds	-0-	100,000	-0-
20	039. Pike County Fiscal Court - Pike County Health Department - Colon Cancer			
21	Screening/Care			
22	Restricted Funds	-0-	50,000	-0-
23	040. Pike County Fiscal Court - Pike County Housing Authority - Infrastructure			
24	Restricted Funds	-0-	50,000	50,000
25	041. Pike County Fiscal Court - Pikeville HOPE			
26	Restricted Funds	-0-	25,000	25,000
27	042. Pike County Fiscal Court - RAM Program			

1	Restricted Funds	-0-	35,000	-0-
2	043. Pike County Fiscal Court - Senior Citizens Center Program - Equipment -			
3	Supplies			
4	Restricted Funds	-0-	50,000	50,000
5	044. Pike County Fiscal Court - Shelby Creek Rescue Squad - Vehicle Acquisition			
6	Restricted Funds	-0-	90,000	-0-
7	045. Pike County Fiscal Court - Shelby Valley Fire Department - Equipment			
8	Acquisition			
9	Restricted Funds	-0-	25,000	25,000
10	046. Pike County Fiscal Court - Turkey Creek Fire Department - Truck			
11	Acquisition			
12	Restricted Funds	-0-	-0-	50,000
13	047. Pike County Fiscal Court - Volunteer Fire Departments - Equipment -			
14	Supplies			
15	Restricted Funds	-0-	50,000	50,000
16	048. Pike County Fiscal Court - WEB Based Warning/Notification System			
17	Restricted Funds	-0-	10,000	-0-
18	049. Pikeville Independent Board of Education - Technology Acquisition			
19	Restricted Funds	-0-	50,000	50,000
20	050. Pike County Fiscal Court - Blackberry Volunteer Fire Department - Fire Truck			
21	Acquisition			
22	Restricted Funds	-0-	75,000	-0-
23	Pulaski County			
24	001. Pulaski County Fiscal Court - Senior Citizens Center			
25	Restricted Funds	-0-	133,840	62,626
26	Rockcastle County			
27	001. City of Brodhead - Brodhead Fire Department			

1	Restricted Funds	-0-	6,500	6,500
2	002. City of Livingston - Livingston Fire Department			
3	Restricted Funds	-0-	6,500	6,500
4	003. City of Mount Vernon - Kentucky Music Museum and Hall of Fame			
5	Restricted Funds	79,647	25,614	47,366
6	004. City of Mount Vernon - Mt. Vernon Fire Department			
7	Restricted Funds	-0-	6,500	6,500
8	005. Rockcastle County Fiscal Court - Brindle Ridge Fire Department			
9	Restricted Funds	-0-	6,500	6,500
10	006. Rockcastle County Fiscal Court - Pongo Fire Department			
11	Restricted Funds	-0-	6,500	6,500
12	007. Rockcastle County Fiscal Court - Rockcastle County Library - Book Mobile			
13	Restricted Funds	-0-	25,614	-0-
14	008. Rockcastle County Fiscal Court - Rockcastle Fire Department - Rescue Squad			
15	Restricted Funds	-0-	6,500	6,500
16	009. Rockcastle County Fiscal Court - Western Rockcastle Volunteer Fire			
17	Department			
18	Restricted Funds	-0-	6,500	6,500
19	Union County			
20	001. City of Sturgis - Water Treatment Plant - Water Intake Generator			
21	Restricted Funds	-0-	261,500	-0-
22	002. City of Uniontown - Turner Community Center - Equipment - Upgrades			
23	Restricted Funds	-0-	100,000	-0-
24	003. Union County Fiscal Court - Animal Shelter			
25	Restricted Funds	-0-	125,000	-0-
26	004. Union County Fiscal Court - Emergency Management Services - Purchase			
27	Pump Truck			

1	Restricted Funds	-0-	450,000	-0-
2	005. Union County Fiscal Court - Main Street Sewer - Lift Station - Upgrades			
3	Restricted Funds	-0-	25,000	-0-
4	006. Union County Fiscal Court - Multi County Energy Initiative			
5	Restricted Funds	-0-	10,000	-0-
6	007. Union County Fiscal Court - Repair Drainage In and Around Union County			
7	Restricted Funds	-0-	125,000	-0-
8	008. Union County Fiscal Court - Senior Citizens Center - Youth Center - Sewer			
9	Plant Upgrades			
10	Restricted Funds	-0-	150,000	-0-
11	009. Union County Fiscal Court - Sewer System - Old Providence Road -			
12	Generator			
13	Restricted Funds	-0-	50,000	-0-
14	010. Union County Fiscal Court - Sewer System Lift Station - 15th Street -			
15	Generator			
16	Restricted Funds	-0-	50,000	-0-
17	011. Union County Fiscal Court - Speculation Building Work			
18	Restricted Funds	-0-	200,000	-0-
19	012. Union County Fiscal Court - Walking Bridge - Sewer System Generator -			
20	13th Street			
21	Restricted Funds	-0-	100,000	-0-
22	013. Union County Fiscal Court - YMCA - Construction - Remodeling -			
23	Equipment			
24	Restricted Funds	-0-	200,000	-0-
25	Webster County			
26	001. City of Clay - Fire Department Building - Improvements - Upgrades			
27	Restricted Funds	-0-	-0-	150,000

1	002. City of Clay - Sewer Department - Expansion - Improvements			
2	Restricted Funds	-0-	125,000	-0-
3	003. City of Clay - Water Department - Improvements			
4	Restricted Funds	-0-	25,000	-0-
5	004. City of Dixon - Baker Park - Playground Equipment - Improvements			
6	Restricted Funds	-0-	50,000	-0-
7	005. City of Dixon - Fire Department - Purchase Generator and Equipment			
8	Restricted Funds	-0-	-0-	25,000
9	006. City of Dixon - Water Line Replacement - Main Lines to School			
10	Restricted Funds	-0-	225,000	-0-
11	007. City of Providence - Debt Service - Water and Sewer Plants			
12	Restricted Funds	-0-	330,000	-0-
13	008. City of Providence - Emergency Disaster Relief Building and Equipment			
14	Restricted Funds	-0-	-0-	60,000
15	009. City of Providence - Sewer Line Improvements to Mitigate Water Infiltration			
16	Restricted Funds	-0-	-0-	175,000
17	010. City of Sebree - Carhartt Building - Pump Station			
18	Restricted Funds	-0-	75,000	-0-
19	011. City of Sebree - Match for Safe Schools Project			
20	Restricted Funds	-0-	80,000	-0-
21	012. City of Sebree - Purchase Fire Truck			
22	Restricted Funds	-0-	200,000	-0-
23	013. City of Slaughters - Park Improvements			
24	Restricted Funds	-0-	50,000	-0-
25	014. City of Wheatcroft - Fire Department - Purchase Equipment and Generators			
26	Restricted Funds	-0-	-0-	20,000
27	015. Webster County Fiscal Court - Animal Shelter			

1	Restricted Funds	-0-	125,000	-0-
2	016. Webster County Fiscal Court - Blackford Fire Department - Equipment			
3	Restricted Funds	-0-	-0-	10,000
4	017. Webster County Fiscal Court - Fire Department - Ladder Truck Equipment			
5	Restricted Funds	-0-	40,000	-0-
6	018. Webster County Fiscal Court - Northwest Kentucky Energy Initiative			
7	Restricted Funds	-0-	10,000	-0-
8	019. Webster County Fiscal Court - Onton Fire Department - Equipment			
9	Restricted Funds	-0-	-0-	10,000
10	020. Webster County Fiscal Court - Poole Fire Department - Equipment			
11	Restricted Funds	-0-	-0-	10,000
12	021. Webster County Fiscal Court - Slaughters Fire Department - Equipment			
13	Restricted Funds	-0-	-0-	10,000
14	Whitley County			
15	001. City of Corbin - Ridgeport Point Water Line			
16	Restricted Funds	-0-	141,139	135,503
17	Wolfe County			
18	001. City of Campton - Campton City Park - Improvements			
19	Restricted Funds	-0-	10,000	10,000
20	002. City of Campton - Water Improvements			
21	Restricted Funds	-0-	80,000	20,000
22	003. City of Campton - Wolfe County Conservation District - Upgrades			
23	Restricted Funds	-0-	5,000	5,000
24	004. Wolfe County Board of Education - Athletic Department - Equipment			
25	Restricted Funds	-0-	25,000	-0-
26	005. Wolfe County Board of Education - Campton Elementary - Technology			
27	Improvements			

1	Restricted Funds	-0-	5,000	-0-
2	006. Wolfe County Board of Education - Red River Elementary School - Building			
3	Grounds - Technology Improvements - Various Other Expenses			
4	Restricted Funds	-0-	20,000	-0-
5	007. Wolfe County Board of Education - Rogers Elementary - Technology			
6	Improvements			
7	Restricted Funds	-0-	5,000	-0-
8	008. Wolfe County Board of Education - Safe Routes to School - Equipment -			
9	Upgrades			
10	Restricted Funds	-0-	10,000	5,000
11	009. Wolfe County Board of Education - Wolfe County High School - Technology			
12	Improvements			
13	Restricted Funds	-0-	5,000	-0-
14	010. Wolfe County Board of Education - Wolfe County Middle School -			
15	Technology Improvements			
16	Restricted Funds	-0-	5,000	-0-
17	011. Wolfe County Fiscal Court - Adult Education - Supplies			
18	Restricted Funds	-0-	15,000	5,000
19	012. Wolfe County Fiscal Court - Campton Fire Department - Equipment -			
20	Supplies			
21	Restricted Funds	-0-	5,000	5,000
22	013. Wolfe County Fiscal Court - Hazel Green/Lee City Fire Department -			
23	Equipment - Supplies			
24	Restricted Funds	-0-	100,000	-0-
25	014. Wolfe County Fiscal Court - Rehab Old Elementary School - Equipment -			
26	Supplies - Upgrades			
27	Restricted Funds	-0-	-0-	20,000

1	015.	Wolfe County Fiscal Court - Sandy Ridge Road			
2		Restricted Funds	-0-	10,000	10,000
3	016.	Wolfe County Fiscal Court - Senior Citizens Center - Enhancement			
4		Restricted Funds	-0-	10,000	10,000
5	017.	Wolfe County Fiscal Court - Swift Silvermine Festival Committee -			
6		Improvements			
7		Restricted Funds	-0-	5,000	5,000
8	018.	Wolfe County Fiscal Court - Veteran Enhancement - Upgrades			
9		Restricted Funds	-0-	10,000	-0-
10	019.	Wolfe County Fiscal Court - Wolfe County Community Park - Improvements			
11		Restricted Funds	-0-	50,000	50,000
12	020.	Wolfe County Fiscal Court - Wolfe County Search and Rescue - Equipment -			
13		Supplies			
14		Restricted Funds	-0-	5,000	5,000
15	021.	Wolfe County Fiscal Court - Wolfe County Sheriff's Department - Equipment			
16		Restricted Funds	-0-	10,000	-0-

PART III

GENERAL PROVISIONS

19 **1. Funds Designations:** Restricted Funds designated in the biennial budget bills
20 are classified in the state financial records and reports as the Agency Revenue Fund, State
21 Enterprise Funds (State Parks, State Fair Board, Insurance Administration, and Kentucky
22 Horse Park), Internal Services Funds (Fleet Management, Computer Services,
23 Correctional Industries, Central Printing, Risk Management, and Property Management),
24 and selected Fiduciary Funds (Other Expendable Trust Funds). Separate funds records
25 and reports shall be maintained in a manner consistent with the branch budget bills.

26 The sources of Restricted Funds appropriations in this Act shall include all fees
27 (which includes fees for room and board, athletics, and student activities) and rentals,

1 admittances, sales, bond proceeds, licenses collected by law, gifts, subventions,
 2 contributions, income from investments, and other miscellaneous receipts produced or
 3 received by a budget unit, except as otherwise specifically provided, for the purposes, use,
 4 and benefit of the budget unit as authorized by law. Restricted Funds receipts shall be
 5 credited and allotted to the respective fund or account out of which a specified
 6 appropriation is made in this Act. All receipts of Restricted Funds shall be deposited in
 7 the State Treasury and credited to the proper account as provided in KRS Chapters 12, 42,
 8 45, and 48.

9 The sources of Federal Funds appropriations in this Act shall include federal
 10 subventions, grants, contracts, or other Federal Funds received, income from investments,
 11 other miscellaneous federal receipts received by a budget unit, and the Unemployment
 12 Compensation Fund, except as otherwise provided, for the purposes, use, and benefit of
 13 the budget unit as authorized by law. Federal Funds receipts shall be credited and allotted
 14 to the respective fund account out of which a specified appropriation is made in this Act.
 15 All Federal Funds receipts shall be deposited in the State Treasury and credited to the
 16 proper account as provided in KRS Chapters 12, 42, 45, and 48.

17 **2. Expenditure of Excess Restricted Funds or Federal Funds Receipts:** If
 18 receipts received or credited to the Restricted Funds accounts or Federal Funds accounts
 19 of a budget unit during fiscal year 2010-2011 or fiscal year 2011-2012, and any balance
 20 forwarded to the credit of these same accounts from the previous fiscal year, exceed the
 21 appropriation made by specific sum for these accounts of the budget unit as provided in
 22 Part I, Operating Budget, of this Act, for the fiscal year in which the excess occurs, the
 23 excess funds in the accounts of the budget unit shall become available for expenditure for
 24 the purpose of the account during the fiscal year only upon compliance with the
 25 conditions and procedures specified in KRS 48.400, 48.500, 48.600, 48.605, 48.610,
 26 48.620, 48.630, 48.730, and 48.800 of this Act, and with the authorization of the State
 27 Budget Director and approval of the Secretary of the Finance and Administration Cabinet.

1 Prior to authorizing the appropriation of any excess, unbudgeted Restricted Funds
2 pursuant to this section, the State Budget Director and the Secretary of the Finance and
3 Administration Cabinet shall review the adequacy of the General Fund Surplus Account
4 with respect to its availability to support authorized expenditures from the General Fund
5 Surplus Account, known as Necessary Government Expenses. In the event that General
6 Fund Surplus Account moneys are determined by this review to be adequate to meet
7 known or anticipated Necessary Government Expenses during fiscal year 2010-2011 or
8 fiscal year 2011-2012, respectively, then the appropriation increase may be approved. In
9 the event that the review indicates that there are insufficient funds available or reasonably
10 estimated to become available to the General Fund Surplus Account to meet known or
11 projected Necessary Government Expenses for the fiscal years enumerated above, the
12 State Budget Director and the Secretary of the Finance and Administration Cabinet may
13 disapprove the request for additional Restricted Funds expenditure authority and may
14 direct the excess Restricted Funds identified to the General Fund Surplus Account in
15 order to meet Necessary Government Expense obligations. The results of any review shall
16 be reported to the Interim Joint Committee on Appropriations and Revenue in accordance
17 with KRS 48.400, 48.500, 48.600, 48.605, 48.610, 48.620, 48.630, 48.730, and 48.800.

18 Any request made by a budget unit pursuant to KRS 48.630 that relates to
19 Restricted Funds or Federal Funds shall include documentation showing a comparative
20 statement of revised estimated receipts by fund source and the proposed expenditures by
21 proposed use, with the appropriated sums specified in the Budget of the Commonwealth,
22 and statements which explain the cause, source, and use for any variances which may
23 exist.

24 Each budget unit shall submit its reports in print and electronic format consistent
25 with the Restricted Funds and Federal Funds records contained in the fiscal biennium
26 2010-2012 Branch Budget Request Manual and according to the following schedule in
27 each fiscal year: (a) On or before the beginning of each fiscal year; (b) On or before

1 October 1; (c) On or before January 1; and (d) On or before April 1.

2 **3. Interim Appropriation Increases:** No appropriation from any fund source
3 shall exceed the sum specified in this Act until the agency has documented the necessity,
4 purpose, use, and source, and the documentation has been submitted to the Interim Joint
5 Committee on Appropriations and Revenue for its review and action in accordance with
6 KRS 48.630. Proposed revisions to an appropriation contained in the enacted
7 State/Executive Budget or allotment of an unbudgeted appropriation shall conform to the
8 conditions and procedures of KRS 48.630 and this Act.

9 Notwithstanding KRS 48.630(3), (4), and (5), any proposed and recommended
10 actions to increase appropriations for funds specified in Section 2. of this Part shall be
11 scheduled consistent with the timetable contained in that section in order to provide
12 continuous and timely budget information.

13 **4. Revision of Appropriation Allotments:** Allotments within appropriated
14 sums for the activities and purposes contained in the enacted State/Executive Budget shall
15 conform to KRS 48.610 and may be revised pursuant to KRS 48.605 and this Act.

16 **5. Appropriations Expenditure Purpose and Transfer Restrictions:** Funds
17 appropriated in this Act shall not be expended for any purpose not specifically authorized
18 by the General Assembly in this Act nor shall funds appropriated in this Act be
19 transferred to or between any cabinet, department, board, commission, institution, agency,
20 or budget unit of state government unless specifically authorized by the General
21 Assembly in this Act and the provisions of KRS 48.400, 48.500, 48.600, 48.605, 48.610,
22 48.620, 48.630, 48.700, 48.705, 48.710, 48.720, 48.730, 48.800, and 48.810. Compliance
23 with the provisions of this section shall be reviewed and determined by the Interim Joint
24 Committee on Appropriations and Revenue.

25 **6. Permitted Appropriation Obligations:** No state agency, cabinet,
26 department, office, or program shall incur any obligation against the General Fund or
27 Road Fund appropriations contained in this Act unless the obligation may be reasonably

1 determined to have been contemplated in the enacted State/Executive Budget and is based
2 upon supporting documentation considered by the General Assembly, legislative and
3 executive records, and the statutory budget memorandum.

4 **7. Lapse of General Fund or Road Fund Appropriations Supplanted by**
5 **Federal Funds:** Any General Fund or Road Fund appropriation made in anticipation of a
6 lack, loss, or reduction of Federal Funds shall lapse to the General Fund or Road Fund
7 Surplus Account, respectively, to the extent the Federal Funds otherwise become
8 available.

9 **8. Federally Funded Agencies:** A state agency entitled to Federal Funds, which
10 would represent 100 percent of the cost of a program, shall conform to KRS 48.730.

11 **9. Lapse of General Fund or Road Fund Excess Debt Service**
12 **Appropriations:** Pursuant to KRS 48.720, any excess General Fund or Road Fund debt
13 service shall lapse to the respective surplus account unless otherwise directed in this Act.

14 **10. Statutes in Conflict:** All statutes and portions of statutes in conflict with any
15 of the provisions of this Act, to the extent of the conflict, are suspended unless otherwise
16 provided by this Act.

17 **11. Construction of Budget Provisions on Statutory Budget Administration**
18 **Powers and Duties:** Nothing in this Act is to be construed as amending or altering the
19 provisions of Chapters 42, 45, and 48 of the Kentucky Revised Statutes pertaining to the
20 duties and powers of the Secretary of the Finance and Administration Cabinet except as
21 otherwise provided in this Act.

22 **12. Interpretation of Appropriations:** All questions that arise in interpreting any
23 appropriation in this Act as to the purpose or manner for which the appropriation may be
24 expended shall be decided by the Secretary of the Finance and Administration Cabinet
25 pursuant to KRS 48.500, and the decision of the Secretary of the Finance and
26 Administration Cabinet shall be final and conclusive.

27 **13. Publication of the Budget of the Commonwealth:** The State Budget

1 Director shall cause the Governor's Office for Policy and Management, within 60 days of
2 adjournment of the 2010 First Extraordinary Session of the General Assembly, to publish
3 a final enacted budget document, styled the Budget of the Commonwealth, based upon
4 the Legislative Budget, State/Executive Budget, and Judicial Budget as enacted by the
5 2010 Regular or Extraordinary Sessions, as well as other Acts which contain
6 appropriation provisions for the 2010-2012 fiscal biennium, and based upon supporting
7 documentation and legislative records as considered by the 2010 Regular or Extraordinary
8 Sessions, and the statutory budget memorandum. This document shall include, for each
9 agency and budget unit, a consolidated budget summary statement of available regular
10 and continuing appropriated revenue by fund source, corresponding appropriation
11 allocations by program or subprogram as appropriate, budget expenditures by principal
12 budget class and for the State/Executive Budget, and any other fiscal data and
13 commentary considered necessary for budget execution by the Governor's Office for
14 Policy and Management and oversight by the Interim Joint Committee on Appropriations
15 and Revenue. The enacted State/Executive Budget shall be revised or adjusted only upon
16 approval by the Governor's Office for Policy and Management as provided in each Part of
17 this Act and by KRS 48.400, 48.500, 48.600, 48.605, 48.610, 48.620, 48.630, 48.700,
18 48.705, 48.710, 48.720, 48.730, 48.800, and 48.810, and upon review by the Interim Joint
19 Committee on Appropriations and Revenue.

20 **14. State Financial Condition:** Pursuant to KRS 48.400, the State Budget
21 Director shall monitor and report on the financial condition of the Commonwealth.

22 **15. Prorating Administrative Costs:** The Secretary of the Finance and
23 Administration Cabinet is authorized to establish a system or formula or a combination of
24 both for prorating the administrative costs of the Finance and Administration Cabinet, the
25 Department of the Treasury, and the Office of the Attorney General relative to the
26 administration of programs in which there is joint participation by the state and federal
27 governments for the purpose of receiving the maximum amount of participation permitted

1 under the appropriate federal laws and regulations governing the programs. The receipts
2 and allotments under this section shall be reported to the Interim Joint Committee on
3 Appropriations and Revenue prior to any transfer of funds.

4 **16. Construction of Budget Provisions Regarding Executive Reorganization**

5 **Orders:** Nothing in this Act shall be construed to confirm or ratify, under KRS 12.027 or
6 12.028, any executive reorganization order unless the executive order was confirmed or
7 ratified by appropriate amendment to the Kentucky Revised Statutes in another Act of the
8 2010 Regular Session of the General Assembly. If any executive reorganization order
9 issued from sine die adjournment of the 2009 Regular Session to sine die adjournment of
10 the 2010 Regular Session was not confirmed by the 2010 Regular Session of the General
11 Assembly, the Secretary of the Finance and Administration Cabinet shall, in consultation
12 with agency heads and with notification to the Legislative Research Commission, transfer
13 the balance of funds for any affected program or function for fiscal year 2009-2010 and
14 any related appropriations and funds for each of the next two fiscal years from the budget
15 unit in which the program or function was placed by the executive reorganization order to
16 the budget unit in which the program or function resided prior to the reorganization action
17 or in which it was placed by action of the 2010 Regular Session of the General Assembly.

18 **17. Budget Planning Report:** By August 15, 2011, the State Budget Director, in
19 conjunction with the Consensus Forecasting Group, shall provide to each branch of
20 government, pursuant to KRS 48.120, a budget planning report.

21 **18. Tax Expenditure Revenue Loss Estimates:** By October 15, 2011, the Office
22 of State Budget Director shall provide to each branch of government detailed estimates
23 for the General Fund and Road Fund for the current and next two fiscal years of the
24 revenue loss affected by tax expenditures. The Department of Revenue shall provide
25 assistance and furnish data which is not restricted by KRS 131.190. "Tax expenditure" as
26 used in this section means an exemption, exclusion, or deduction from the base of a tax, a
27 credit against the tax, a deferral of a tax, or a preferential tax rate. The estimates shall

1 include for each tax expenditure the amount of revenue loss, a citation of the legal
2 authority for the tax expenditure, the year in which it was enacted, and the tax year in
3 which it became effective.

4 **19. Duplicate Appropriations:** Any appropriation item and sum in Parts I to X of
5 this Act and in an appropriation provision in any Act of the 2010 Regular Session which
6 constitutes a duplicate appropriation shall be governed by KRS 48.312.

7 **20. Priority of Individual Appropriations:** KRS 48.313 shall control when a
8 total or subtotal figure in this Act conflicts with the sum of the appropriations of which it
9 consists.

10 **21. Severability of Budget Provisions:** Appropriation items and sums in Parts I
11 to X of this Act shall conform to KRS 48.311. If any section, any subsection, or any
12 provision is found by a court of competent jurisdiction in a final, unappealable order to be
13 invalid or unconstitutional, the decision of the courts shall not affect or impair any of the
14 remaining sections, subsections, or provisions.

15 **22. Unclaimed Lottery Prize Money:** For fiscal year 2010-2011 and fiscal year
16 2011-2012, all unclaimed lottery prize money under KRS 154A.110(3) shall be credited
17 to the Kentucky Educational Excellence Scholarship Reserve Account to be held as a
18 subsidiary account within the Finance and Administration Cabinet for the purpose of
19 funding the KEES Program as appropriated in this Act. If the Kentucky Higher Education
20 Assistance Authority certifies to the State Budget Director that the appropriations in this
21 Act for the KEES Program under the existing award schedule are insufficient to meet
22 funds required for eligible applicants, then the State Budget Director shall provide the
23 necessary allotment of funds in the balance of the KEES Reserve Account to fund the
24 KEES Program. Actions taken under this section shall be reported to the Interim Joint
25 Committee on Appropriations and Revenue on a timely basis.

26 **23. Workers' Compensation:** Notwithstanding KRS 342.340(1) or any other
27 provision of law, public sector self-insured employers are not required to deposit funds as

1 security, indemnity, or bond to secure the payment of compensation liabilities, provided
2 that each public sector employer has the authority to impose taxes or raise tuition in an
3 amount sufficient to recoup payments of compensation liabilities as they are incurred.
4 Notwithstanding KRS 342.340(1) and 803 KAR 25:021, sec. 5, the Personnel Cabinet
5 shall be exempt from procuring excess risk insurance in fiscal year 2010-2011 and fiscal
6 year 2011-2012 for the Workers' Compensation Benefits and Reserve program
7 administered by the Cabinet.

8 **24. Undesignated General Fund and Road Fund Carry Forward:**

9 Notwithstanding KRS 48.700 and 48.705 and other Parts of this Act, the Secretary of the
10 Finance and Administration Cabinet shall determine and certify, within 30 days of the
11 close of fiscal year 2009-2010 and fiscal year 2010-2011, the actual amount of
12 undesignated balance of the General Fund and the Road Fund for the year just ended. The
13 amounts from the undesignated fiscal year 2009-2010 and fiscal year 2010-2011 General
14 Fund and Road Fund balances that are designated and carried forward for budgeted
15 purposes in the 2010-2012 fiscal biennium shall be determined by the State Budget
16 Director during the close of the respective fiscal year and shall be reported to the Interim
17 Joint Committee on Appropriations and Revenue within 30 days of the close of the fiscal
18 year. The General Fund undesignated balance in excess of the amount designated for
19 budgeted purposes under this section shall be made available for the General Fund
20 Surplus Expenditure Plan contained in Part VII of this Act unless otherwise provided in
21 this Act. The Road Fund undesignated balance in excess of the amount designated for
22 budgeted purposes under this section shall be made available for the Road Fund Surplus
23 Expenditure Plan contained in Part IX of this Act unless otherwise provided in this Act.

24 **25. Adoption of Budget Reduction:** Notwithstanding KRS 48.130 and 48.600,
25 the General Assembly adopts and enacts the revised General Fund appropriation levels
26 for the budget units of the Executive Branch identified in General Fund Budget Reduction
27 Order 09-01, General Fund Budget Reduction Order 09-02, General Fund Budget

1 Reduction Order 10-01, and General Fund Budget Reduction Order 10-02 and enacts the
2 transfers to the General Fund of non-General Fund moneys identified in General Fund
3 Budget Reduction Order 10-02. Notwithstanding KRS 48.130 and 48.600, the General
4 Assembly adopts and enacts the revised Road Fund appropriation levels for the budget
5 units of the Executive Branch identified in Road Fund Budget Reduction Order 09-01,
6 Road Fund Budget Reduction Order 09-02, and Road Fund Budget Reduction Order 10-
7 01 as modified by Road Fund Budget Order 10-02.

8 **26. General Fund Expenditure Reductions:** The Governor shall reduce General
9 Fund expenditures appropriated in this Act by \$43,100,000 in fiscal year 2010-2011 and
10 by \$71,000,000 in fiscal year 2011-2012. This reduction shall be achieved in part but not
11 limited to the following measures: a review of state contracts, including master
12 agreements and personal services contracts, a coordination of information technology to
13 include procurement and implementation practices, a review of improved management
14 and utilization of fleet vehicles, the identification and sale of surplus assets including real
15 property, and a review of leased space. The State Budget Director with the
16 recommendation from the Secretary of the Finance and Administration Cabinet shall
17 utilize the information from these reviews and associated actions to determine the amount
18 of General Fund expenditure reductions per year that can be obtained from each budget
19 unit of the Executive Branch. The State Budget Director is authorized to withhold
20 General Fund allotments associated with the determined General Fund expenditure
21 reductions. The State Budget Director shall provide a quarterly report to the Interim Joint
22 Committee on Appropriations and Revenue outlining the actions taken or planned
23 pursuant to this section. Notwithstanding any statute or administrative regulation to the
24 contrary, Restricted Funds savings may be transferred to the General Fund.

25 **27. Reallocation of Appropriations Among Budget Units:** The Executive
26 Branch shall operate within the appropriations authorized in this Act and the
27 Appropriations Act for the Transportation Cabinet for each budget unit as prescribed by

1 KRS 48.400 to 48.730, subject to the conditions and procedures stated in this section or
2 other Parts of this Act.

3 The Secretary of a Cabinet, the Commissioner of the Department of Education, and
4 other agency heads may request a revision or reallocation among budget units under their
5 administrative authority of up to ten percent of General Fund or Restricted Funds
6 appropriations contained in Part I, Operating Budget, of this Act for fiscal year 2010-2011
7 and fiscal year 2011-2012 for approval by the State Budget Director. No request shall
8 relate to moneys in a fiduciary fund account unless the account is affected by a
9 reorganization order promulgated under KRS 12.027. A request shall explain the need
10 and use for the transfer authority under this section.

11 The amount of transfer of General Fund and Restricted Funds appropriations shall
12 be separately recorded and reported in the system of financial accounts and reports
13 provided in KRS Chapter 45.

14 The State Budget Director shall report a revision or transfer made under this
15 section, in writing, to the Interim Joint Committee on Appropriations and Revenue at
16 least 30 days prior to the proposed transfer. The Committee shall review the transfer in
17 the same manner and procedure as provided for an interim unbudgeted appropriation
18 action under KRS 48.630.

19 **28. Lottery Dividends:** KRS 154A.130(1) establishes the intent of the General
20 Assembly that it shall be the goal of the Kentucky Lottery Corporation to transfer each
21 year 35 percent of gross revenues to the General Fund. In fiscal year 2010-2011 and fiscal
22 year 2011-2012, the Kentucky Lottery Corporation shall remit no less than 28 percent of
23 gross revenues each year to the General Fund.

24 Notwithstanding KRS 154A.130(3) and (4), 78 percent of the 28 percent remitted to
25 the General Fund in fiscal year 2010-2011 and fiscal year 2011-2012 shall be distributed
26 according to the provisions set out in KRS 154A.130(3) and (4) to support higher
27 education scholarship programs. The remaining 22 percent of the 28 percent remitted to

1 the General Fund shall remain in the General Fund to be used to support restoration of
2 higher education funds.

3 **29. Road Fund Resources:** The Transportation Cabinet may use Road Fund
4 resources for the purpose of maintenance or construction of public runways, parking lots,
5 pedways, or other transportation infrastructures which are connected to a roadway and
6 can be traversed by a vehicle.

7 **30. Fiscal Year 2011-2012 Funds Expenditure Restriction:** Except in the case
8 of a declared emergency, the Governor, all agency heads, and all other constitutional
9 officers shall not expend or encumber in the aggregate more than 55 percent of the funds
10 appropriated by this Act during the first half of fiscal year 2011-2012.

11 **31. Civil War Reenactors:** Notwithstanding KRS 38.440, Civil War reenactors
12 may associate, drill, and parade with firearms and/or swords without permission from the
13 Governor before, during, and after Civil War reenactments and events.

14 **32. Budget Implementation:** The General Assembly directs that the Executive
15 Branch shall carry out all appropriations and budgetary language provisions as contained
16 in the State/Executive Budget. The Legislative Research Commission shall review
17 quarterly expenditure data to determine if an agency is out of compliance with this
18 directive. If the Legislative Research Commission suspects that any entity has acted in
19 non-conformity with this section, the Legislative Research Commission may order an
20 audit or review at the agency's expense. Such audit findings, reviews, and reports shall be
21 subject to the Kentucky Open Records law.

22 **33. Information Technology:** All authorized computer information technology
23 projects shall submit a semiannual progress report to the Interim Joint Committee on
24 Appropriations and Revenue. The reporting process shall begin six months after the
25 project is authorized and shall continue through completion of the project. The initial
26 report shall establish a timeline for completion and cash disbursement schedule. Each
27 subsequent report shall update the timeline and budgetary status of the project and explain

1 in detail any issues with completion date and funding.

2 **34. Equipment Service Contracts and Energy Efficiency Measures:** The
3 General Assembly mandates that the Finance and Administration Cabinet review all
4 equipment service contracts to maximize savings to the Commonwealth and to strictly
5 adhere to the provisions of KRS 56.772, 56.782, and 56.784 in maximizing the use of
6 energy efficiency measures.

7 **35. Sale of Abandoned Property by Finance and Administration Cabinet:**
8 Notwithstanding KRS 393.125, unclaimed securities held by the Department of the
9 Treasury may be sold with the receipts, net of estimated claims to be paid, available for
10 appropriation to the General Fund during the 2010-2012 biennium. The Secretary of the
11 Finance and Administration Cabinet shall determine when to initiate the sale of securities
12 based on the market structure and the financial status of the Commonwealth at the time.

13 **36. Premium and Retaliatory Taxes:** Notwithstanding KRS 304.17B-021(4)(d),
14 premium taxes collected under KRS Chapter 136 from any insurer and retaliatory taxes
15 collected under KRS 304.3-270 from any insurer shall be credited to the General Fund.

16 **37. Proceeds from Sale of Surplus Property:** Notwithstanding KRS 45.777, the
17 proceeds from the sale of major items of equipment or real property shall be deposited
18 into the General Fund unless federal funding restraints require otherwise. This provision
19 shall not apply to the sale of real property held as right-of-way and the sale of equipment
20 by the Transportation Cabinet.

21 **38. Kentucky Wine and Vine Fest:** The Kentucky Wine and Vine Fest of
22 Nicholasville, Kentucky, is named and designated as the official state wine festival.

23 **39. Non-Merit Employee Reductions:** The Governor shall reduce a sufficient
24 number of non-merit employees to achieve \$10,000,000 of savings in fiscal year 2010-
25 2011 and \$10,000,000 of savings in fiscal year 2011-2012. The Governor shall not reduce
26 any non-merit employees from the offices of the Secretary of State, the Attorney General,
27 the Treasurer, the Commissioner of Agriculture, the Auditor of Public Accounts, the

1 Commonwealth's Attorneys, the County Attorneys, and Kentucky Educational
 2 Television. Notwithstanding any statute or administrative regulation to the contrary,
 3 Restricted Funds savings may be transferred to the General Fund.

4 **40. Reduction of Contract Expenditures:** The Governor shall reduce General
 5 Fund and Restricted Funds contract expenditures by \$77,900,000 in fiscal year 2010-2011
 6 and by \$87,900,000 in fiscal year 2011-2012. To achieve the reduction in contract
 7 expenditures, the Finance and Administration Cabinet shall:

8 (a) Rebid or renegotiate contracts where current economic conditions have
 9 reduced the cost of the services, goods, or commodities at issue;

10 (b) Review vendor performance to identify and control cost overruns and
 11 underperformance of contractual terms, and maintain an updated list of such contracts;

12 (c) Monitor and document contract performance and oversight in a readily
 13 reviewable format;

14 (d) Implement billing standards to allow meaningful auditing of personal service
 15 contracts;

16 (e) Reduce legal services contracts by requiring utilization of in-house counsel;

17 (f) Document cost overruns in all monitored information technology (IT)
 18 contracts and develop written evaluations of their effectiveness;

19 (g) Reduce sole source contracts to promote savings through the competitive
 20 bidding process; and

21 (h) Reduce modifications to contracts that result in cost increases.

22 Notwithstanding any statute or administrative regulation to the contrary, Restricted
 23 Funds savings may be transferred to the General Fund. No reductions to contracts shall be
 24 made in instances where the contractual agreements stipulate that the payments are used
 25 to pay required debt service obligations.

26 The Finance and Administration Cabinet shall report to the Legislative Research
 27 Commission no later than December 1, 2010, the efficiencies achieved in contract

1 expenditures.

2 **41. Debt Service:** Any General Fund moneys appropriated for debt service that is
3 not expended specifically for debt service shall be transferred to the Budget Reserve Trust
4 Fund Account (KRS 48.705). Any debt service savings derived from debt refinancing or
5 debt restructuring may be used to achieve the stated efficiency measures.

6 **PART IV**

7 **STATE SALARY/COMPENSATION, BENEFIT, AND EMPLOYMENT POLICY**

8 **1. Authorized Personnel Complement:** On July 1, 2010, the Personnel Cabinet
9 and the Office of State Budget Director shall establish a record for each budget unit of
10 authorized permanent full-time and other positions based upon the enacted
11 State/Executive Budget of the Commonwealth and any adjustments authorized by
12 provisions in this Act. The total number of filled permanent full-time and all other
13 positions shall not exceed the authorized complements pursuant to this section. An
14 agency head may request an increase in the number of authorized positions to the State
15 Budget Director. Upon approval, the Secretary of the Personnel Cabinet may authorize
16 the employment of individuals in addition to the authorized complement. A report of the
17 actions authorized in this section shall be provided to the Interim Joint Committee on
18 Appropriations and Revenue on a monthly basis.

19 **2. Salary Adjustments:** Notwithstanding KRS 18A.355, no increment is
20 provided in both fiscal year 2010-2011 and fiscal year 2011-2012 on the base salary or
21 wages of each eligible state employee on their anniversary date.

22 **3. Issuance of Employee Paychecks:** Notwithstanding any statute or
23 administrative regulation to the contrary, the state payroll that would normally be
24 scheduled to be paid on June 30, 2012, shall not be issued prior to July 1, 2012. The
25 associated cost of this payroll shall be paid from fiscal year 2012-2013 resources. The
26 Governor and the Secretary of the Finance and Administration Cabinet shall have the
27 authority to transfer any Restricted Funds, that become excess as the result of this action,

1 to the General Fund.

2 **4. Monthly Per Employee Health Insurance Benefits Assessment:** The
3 Personnel Cabinet shall collect a benefits assessment per month per employee eligible for
4 health insurance coverage in the state group for duly authorized use by the Personnel
5 Cabinet in administering its statutory and administrative responsibilities, including but
6 not limited to administration of the Commonwealth's health insurance program.

7 **5. Employee Cross Reference:** The Personnel Cabinet shall permit married
8 couples who are both eligible to participate in the state health insurance plan to be
9 covered under one couple or family tier health benefit plan.

10 **6. Salary and Compensation Fund Distribution:** The State Budget Director
11 shall determine the amount of funds from the appropriation in Part I, J., 4., of this Act
12 that is necessary for each budget unit to implement the employer contribution rates for
13 retirement as set out in Section 10 of this Part. The State Budget Director shall determine
14 the amount of funds from the appropriation in Part I, J., 4., of this Act that is necessary
15 for each budget unit to pay the increased costs of health insurance. The State Salary and
16 Compensation Fund shall be supplemented by Restricted Funds, Federal Funds, the Road
17 Fund, and other General Fund amounts otherwise appropriated to state agencies. The
18 amount of moneys transferred from the State Salary and Compensation Fund to state
19 agencies shall not exceed the additional General Fund cost of the enacted employer
20 retirement contribution rates and the additional General Fund cost of increased health
21 insurance. The State Budget Director shall report distributions from the State Salary and
22 Compensation Fund to the Interim Joint Committee on Appropriations and Revenue.

23 **7. Close of Plan Years and Transfer of Funds:** Notwithstanding KRS
24 18A.2254, Plan Years 2006 and 2007 of the Public Employee Health Insurance Trust
25 Fund shall be closed at the end of the day December 31, 2010, and any further receipts or
26 disbursements attributable to those Plan Years shall be accounted for in a current Plan
27 Year as a current year activity. Beginning January 1, 2011, the remaining balances

1 attributable to Plan Years 2006 and 2007 shall be combined and transferred as provided
2 below:

3 (a) The first \$12,500,000 shall be transferred and credited to Plan Year 2011, and
4 held in that account until the end of the day December 31, 2011. Beginning January 1,
5 2012, \$11,000,000 plus any income earned on that amount during Plan Year 2011 shall
6 be transferred and credited to Plan Year 2012; and

7 (b) All funds in excess of \$12,500,000, shall be transferred and credited to Plan
8 Year 2011 until the end of the day December 31, 2011, and shall be utilized to cover the
9 cost of any claims arising in Plan Year 2011 attributable to Plan Year 2006 or Plan Year
10 2007. Beginning January 1, 2012, the amount not required to satisfy Plan Year 2006 or
11 Plan Year 2007, plus all income earned on that amount, shall be transferred and credited
12 to Plan Year 2012.

13 **8. Transfer of Funds Between Plan Years:** Notwithstanding KRS
14 18A.2254, the Secretary of the Finance and Administration Cabinet and the Secretary of
15 the Personnel Cabinet shall not transfer any of the Public Employee Health Insurance
16 Trust Fund moneys from one Plan Year to another, except as directed by Section 7 of this
17 Part or as provided in this section. This section shall apply retroactively and any transfer
18 made after March 1, 2010, shall be reversed.

19 The Secretary of the Finance and Administration Cabinet and the Secretary of the
20 Personnel Cabinet are authorized to transfer excess funds from Plan Year 2011 to Plan
21 Year 2012 on a quarterly basis provided adequate funds are retained in Plan Year 2011 to
22 satisfy all submitted and projected claims or expenses of Plan Year 2011. Prior to the
23 transfer of any funds from Plan Year 2011 to Plan Year 2012, the Legislative Research
24 Commission shall be given written notice.

25 **9. Public Employee Health Coverage Program:** Notwithstanding KRS
26 18A.2254, 18A.2255, and 18A.226, to the extent of any conflict, the state's self-insured
27 public employee health coverage program for January 1, 2011, through December 31,

2012, shall consist of a Base Employer Provided Plan. If the Personnel Cabinet determines it is in the best interest of employees and employers, a high deductible plan with a Health Savings Account and additional Preferred Provider Organization (PPO), Point of Service (POS), or other type of plans may be provided. Any additional plans shall be designed in a manner that shall have no negative actuarial effect on the Public Employee Health Insurance Trust Fund. Further, any additional plans shall have an employer contribution rate that does not exceed the rate established in this section for the Base Employer Provided Plan for all coverage tiers. If any additional plans are provided and their cost exceed the Base Employer Provided Plan, then any employee who selects one of those plans must agree to pay the additional cost.

(a) Core Benefits for In-Network Coverage: The following core benefits

for In-Network coverage shall be provided by the Base Employer Provided Plan:

	Base Employer Provided Plan
<u>Benefit Description</u>	<u>Coverage Level</u>
Annual Deductible.....	\$500/\$1,500
Co-Insurance.....	Plan 80%/Member 20%
Maximum Out-of-Pocket.....	\$2,500/\$4,000
Doctor Office Visits.....	Deductible then 20%
Emergency Room	
(without admission).....	\$50 after Deductible
Urgent Care.....	Deductible then 20%
Prescriptions	
(30 day supply).....	20%
Tier I.....	Minimum \$10 - Maximum \$25
Tier 2.....	Minimum \$20 - Maximum \$50
Tier 3.....	Minimum \$35 - Maximum \$100

1 **(b) Core Benefits for Out-of-Network Coverage:** The core benefits for Out-of-
 2 Network coverage shall be determined by the Personnel Cabinet.

3 **(c) Other Benefits and Coverage Levels:** The Personnel Cabinet shall determine
 4 other benefits and coverage levels to be included in all plans.

5 **(d) Monthly Premium Allotments for Nonsmokers:** Each employer
 6 participating in the state's self-insured public employee health coverage program shall be
 7 responsible for providing the nonsmoking monthly premium allotment listed below for
 8 each eligible participating employee or member depending on the tier of coverage
 9 selected by the employee during open enrollment or as a result of a qualifying event. Two
 10 married, eligible employees or participating members from the same or different
 11 participating employers shall each be permitted to utilize the cross reference allotment to
 12 combine for the purchase of a couple or family tier plan.

Base Employer Provided Plan		
	<u>Plan Year 2011</u>	<u>Plan Year 2012</u>
<u>Nonsmoker</u>		
<u>Single</u>		
Employer.....	590.00.....	601.80
Employee.....	0.00.....	0.00
<u>Parent Plus</u>		
Employer.....	742.00.....	756.84
Employee.....	8.70.....	8.87
<u>Couple</u>		
Employer.....	894.00.....	911.88
Employee.....	296.29.....	302.22
<u>Family</u>		
Employer.....	955.00.....	974.10
Employee.....	302.86.....	308.92
<u>Cross Reference</u>		

1	Employer (for each employee).....	up to 675.00.....	up to 675.00
2	Employee.....	Additional Cost.....	Additional Cost
3		of Plan Selected	of Plan Selected

4 **(e) Monthly Premium Allotments for Smokers:** The Personnel Cabinet shall
5 determine the monthly premium allotment for employees or dependents who use tobacco,
6 based on a standard percentage or dollar increase from the monthly allotment rates
7 established in subsection (d) of this section.

8 **(f) Waiver of Coverage:** An eligible employee who waives coverage under the
9 Base Employer Provided Plan and all other employer sponsored plans shall have an
10 amount, determined by the Personnel Cabinet, up to \$175 per month deposited in a
11 Health Reimbursement Account for the employee.

12 **(g) Pilot Wellness Program:** The Personnel Cabinet shall develop and
13 implement a voluntary Pilot Wellness Program, without charge to the participants, by
14 January 1, 2011, that shall provide the employee with a reduction in premiums, a
15 contribution to a Health Reimbursement Account, a reduction in the maximum out-of-
16 pocket expense, a cash award, additional paid leave, or any combination thereof, if the
17 employee enrolls and continues to meet the requirements of the program. Such a program,
18 at a minimum, shall also provide incentives for smoking cessation, weight loss, diabetes
19 management, hypertension management, or asthma management. Notwithstanding KRS
20 18A.2254, \$1,500,000 in fiscal year 2010-2011 and \$3,000,000 in fiscal year 2011-2012
21 shall be made available from the funds of closed prior plan years to provide incentives for
22 this program. The Cabinet shall provide a report of the benefit of the program to the
23 Public Employee Health Insurance Trust Fund and a recommendation concerning the
24 potential benefit of continuance and expansion of the program by January 1, 2012, to the
25 Legislative Research Commission.

26 **(h) Report of the Group Health Insurance Board:** Notwithstanding KRS
27 18A.226(5)(b) and (c), the report of the Kentucky Group Health Insurance Board shall be

submitted to the Governor, the Legislative Research Commission, and the Chief Justice of the Supreme Court by December 15th of each calendar year.

10. Employer Retirement Contribution Rates: Notwithstanding KRS 61.565 and 61.702, and in accordance with a request made by the Kentucky Retirement Systems in a letter to the Legislative Research Commission Deputy Director for Budget Review dated February 2, 2010, the employer contribution rates for the Kentucky Employees Retirement Systems from July 1, 2010, through June 30, 2011, shall be 16.98 percent, consisting of 9.58 percent for pension and 7.40 percent for insurance, for nonhazardous duty employees and 26.12 percent, consisting of 10.72 percent for pension and 15.40 percent for insurance, for hazardous duty employees; for the same period the employer contribution for employees of the State Police Retirement System shall be 45.54 percent, consisting of 21.44 percent for pension and 24.10 percent for insurance. Notwithstanding KRS 61.565 and 61.702, and in accordance with a request made by the Kentucky Retirement Systems as referenced above, the employer contribution rates for the Kentucky Employees Retirement Systems from July 1, 2011, through June 30, 2012, shall be 19.82 percent, consisting of 11.59 percent for pension and 8.23 percent for insurance, for nonhazardous duty employees and 28.98 percent, consisting of 12.33 percent for pension and 16.65 percent for insurance, for hazardous duty employees; for the same period the employer contribution for employees of the State Police Retirement System shall be 52.13 percent, consisting of 26.55 percent for pension and 25.58 percent for insurance.

11. Furlough of State Employees: In response to requests by the Executive Branch for maximum flexibility in regard to personnel matters, the following authority is provided relating to the furlough of state employees. Further, it is the intent of the General Assembly that this authority is only provided to prevent a permanent layoff of state employees in areas of critical services to the citizens of the Commonwealth. Notwithstanding any statute to the contrary, the following process and procedure is

1 established for July 1, 2010, through June 30, 2012, in the event that the fiscal situation
2 of the Commonwealth requires that the Executive Branch place employees on furlough:

3 (a) For the purposes of this section:

- 4 1. "Appointing Authority" means "Appointing authority" as defined in
5 KRS 18A.005(1) and 151B.010(1). In relation to KRS Chapter 16,
6 "Appointing Authority" means the Commissioner of the Department of
7 Kentucky State Police;
- 8 2. "Secretary" means the Secretary of the Personnel Cabinet as provided
9 for in KRS 18A.115;
- 10 3. "Furlough" or "reduction in hours" means the temporary reduction of
11 hours an employee is scheduled to work by the Appointing Authority
12 within a pay period; and
- 13 4. "Lack of funds" means a current or projected deficiency of funding to
14 maintain current or projected levels of staffing and operations of state
15 government in a fiscal year;

16 (b) Notwithstanding any other provision of law, the Secretary, with the approval
17 of the Governor, may develop, in conjunction with the Appointing Authorities
18 and the Kentucky Technical Education Personnel Board, and implement a
19 furlough plan for all state Executive Branch employees who occupy positions
20 that are not 100 percent federally funded, based on a lack of funds as certified
21 by the State Budget Director;

22 (c) The furlough plan developed and implemented by the Secretary shall include:

- 23 1. A provision that shall place all employees, merit and non-merit,
24 classified and non-classified, on furlough for the same number of hours
25 during a calendar month;
- 26 2. The temporary closing of state offices, wherever possible to achieve the
27 maximum operational savings for state government;

- 1 3. A provision to work with Appointing Authorities that have 24 hour,
2 seven day a week operations to place employees of those facilities on
3 furlough for the specified number of hours during the affected pay
4 period as all other employees;
- 5 4. A provision that would allow for the exemption of employees in specific
6 job classifications directly responsible for the care or safety of inmates
7 or residents in 24 hour correctional, juvenile justice, or mental health
8 facilities, as requested and certified by the Secretary of the Justice and
9 Public Safety Cabinet or the Secretary of the Cabinet for Health and
10 Family Services and as approved by the Secretary of the Personnel
11 Cabinet;
- 12 5. A provision that would allow for the exemption of specific
13 classifications of uniformed law enforcement officers or trainees that are
14 required to protect the lives and safety of the citizens of the
15 Commonwealth, as certified by the Commissioner of State Police and as
16 approved by the Secretary of the Personnel Cabinet;
- 17 6. A provision that would prohibit any contract employee, or otherwise
18 non-state employee, who is compensated on an hourly basis, from
19 performing similar services during the time that a state employee in the
20 work unit for which the contract applies is placed on furlough;
- 21 7. A provision that no employee covered by the merit system shall be
22 placed on furlough for more than 20 percent of his or her scheduled
23 work hours in any one work week or for more than 24 work hours in a
24 six month calendar period;
- 25 8. A provision that allows the Appointing Authority to place non-merit
26 policy-making employees employed under the provisions of KRS
27 18A.115(1)(d), (e), (f), (g), (h), or (i) on furlough for more hours than

specified in paragraph 7. of this subsection; and

9. Notice to the employee of the furlough by the Appointing Authority at least seven days prior to the date of the furlough;

(d) A furlough implemented in accordance with this section shall not be considered a penalization of the employee for the purposes of KRS Chapters 16, 18A, and 151B, and shall not be appealable to the State Personnel Board, the Kentucky Technical Education Personnel Board, or the Department of Kentucky State Police Personnel Board;

(e) The hours an employee is placed on furlough during a pay period shall not result in the loss of eligibility for any benefit otherwise due the employee;

(f) An employee covered by the provisions of KRS Chapter 16, 18A, or 151B, may voluntarily request to be placed on furlough for more hours in a six month period than provided for in subsection (c) of this section, provided such a request is submitted in writing on a form prescribed by the Secretary of the Personnel Cabinet and approved by the Appointing Authority prior to the effective date of the voluntary furlough; and

(g) The Secretary shall promulgate an administration regulation to implement a furlough program, as specified by this section, prior to the implementation of any furlough of state employees.

PART V

FUNDS TRANSFER

The General Assembly finds that the financial condition of state government requires the following action.

Notwithstanding the statutes or requirements of the Restricted Funds enumerated below, there is transferred to the General Fund the following amounts in fiscal year 2009-2010, fiscal year 2010-2011, and fiscal year 2011-2012:

	2009-10	2010-11	2011-12
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1 **A. GENERAL GOVERNMENT**

2 **1. Department for Local Government**

3 Expendable Trust Fund -0- 1,500,000 1,500,000
4 (KRS 42.4582)

5 **2. Local Government Economic Development Fund**

6 Multi-County Fund - Debt
7 Service -0- 6,480,900 5,778,500
8 (KRS 42.4588)

9 **3. Secretary of State**

10 Agency Revenue Fund -0- 800,000 800,000
11 (KRS 14.140)

12 **B. ECONOMIC DEVELOPMENT CABINET**

13 **1. Financial Incentives**

14 Other Special Revenue Fund -0- 460,000 460,000

15 Balances remaining in the Special Revenue Fund accounts after all appropriations
16 authorized in this Act shall lapse to the General Fund Surplus Account at the end of
17 each fiscal year.

18 **C. ENERGY AND ENVIRONMENT CABINET**

19 **1. Secretary**

20 Kentucky Heritage Land
21 Conservation Fund -0- -0- 15,000,000
22 (KRS 146.570)

23 A \$15,000,000 capital appropriation from bond funds in Part II, Capital Projects
24 Budget, of this Act will be used to replace this transfer of funds to the General
25 Fund.

26 **2. Secretary**

27 Kentucky Pride Trust Fund -0- 2,006,300 2,006,300

Pursuant to KRS 224.43-505(2)(a)3., these fund transfers to the General Fund support the General Fund debt service on the bonds sold as appropriated by 2003 Ky. Acts ch. 156, Part II, A., 3., c..

3. Environmental Protection

Insurance Administration Fund	-0-	42,500,000	42,500,000
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(KRS 224.60-130, 224.60-140, 224.60-145, and 224.60-150)

A \$50,000,000 capital appropriation from bond funds in Part II, Capital Projects Budget, of this Act will be used to partially replace this transfer of funds to the General Fund.

D. FINANCE AND ADMINISTRATION CABINET

1. General Administration

Fleet Management Fund	4,793,000	3,000,000	12,000,000
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2. Controller

KEES Reserve Trust Fund	-0-	5,000,000	2,500,000
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3. Facilities and Support Services

Capital Projects Fund	-0-	700,000	-0-
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4. Finance and Administration

Capital Construction

Investment Income	-0-	10,250,000	10,250,000
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E. HEALTH AND FAMILY SERVICES CABINET

1. General Administration and Program Support

Malt Beverage Education Fund	-0-	450,000	450,000
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F. JUSTICE AND PUBLIC SAFETY CABINET

1. State Police

Agency Revenue Fund	-0-	266,000	-0-
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(KRS 189A.050(3))

2. State Police

1	Agency Revenue Fund	-0-	714,000	-0-
2	(KRS 160.151)			

3 **G. PERSONNEL CABINET**

4 **1. General Operations**

5 General Operations Special

6	Project Account	-0-	2,879,000	2,879,000
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7 **H. POSTSECONDARY EDUCATION**

8 **1. Kentucky Higher Education Assistance Authority**

9	Other Special Revenue Fund	-0-	794,600	517,800
10	(KRS 164.7891(11))			

11 **I. PUBLIC PROTECTION CABINET**

12 **1. Financial Institutions**

13	Agency Revenue Fund	-0-	1,000,000	3,000,000
14	(KRS 286.01-485)			

15 **2. Insurance**

16	Agency Revenue Fund	-0-	10,000,000	14,000,000
17	(KRS 304.2-300(1) and (4), 304.2-400, and 304.2-440(4))			

18	TOTAL - FUNDS TRANSFER	4,793,000	88,800,800	113,641,600
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19 **PART VI**

20 **GENERAL FUND BUDGET REDUCTION PLAN**

21 Pursuant to KRS 48.130 and 48.600, a General Fund Budget Reduction Plan is
 22 enacted for state government in the event of an actual or projected revenue shortfall in
 23 estimated General Fund revenue receipts, excluding Tobacco Settlement – Phase I
 24 receipts, of \$8,572,340,000 in fiscal year 2010-2011 and \$8,873,697,500 in fiscal year
 25 2011-2012 as determined by KRS 48.120 and modified by related Acts and actions of the
 26 General Assembly in an extraordinary or regular session. Direct services, obligations
 27 essential to the minimum level of constitutional functions, and other items that may be

1 specified in this Act, are exempt from the requirements of this Plan. Each branch head
2 shall prepare a specific plan to address a proportionate share of the General Fund revenue
3 shortfall applicable to the respective branch. No budget revision action shall be taken by a
4 branch head in excess of the actual or projected revenue shortfall.

5 The Governor, the Chief Justice, and the Legislative Research Commission shall
6 direct and implement reductions in allotments and appropriations only for their respective
7 branch budget units as may be necessary, as well as take other measures which shall be
8 consistent with the provisions of this Part and general branch budget bills.

9 Notwithstanding KRS 48.130(4)(a) and (b), in the event of a revenue shortfall of
10 five percent or less, General Fund budget reduction actions shall be implemented in the
11 following sequence:

12 (1) The Local Government Economic Assistance and the Local Government
13 Economic Development Funds shall be adjusted by the Secretary of the Finance and
14 Administration Cabinet to equal revised estimates of receipts pursuant to KRS 42.4582 as
15 modified by the provisions of this Act;

16 (2) Transfers of excess unappropriated Restricted Funds, other than fiduciary
17 funds, to the General Fund shall be applied as determined by the head of each branch for
18 its respective budget units. No transfers to the General Fund shall be made from the
19 following:

20 (a) Local Government Economic Assistance and Local Government Economic
21 Development Funds;

22 (b) Unexpended debt service from the Tobacco-Settlement Phase 1 Funds in
23 either fiscal year;

24 (c) Tobacco Unbudgeted Interest Income-Rural Development Trust Fund; and

25 (d) Multi-County Coal Severance Fund;

26 (3) Any unanticipated Phase I Master Settlement Agreement revenues in both
27 fiscal year shall be appropriated according to KRS 248.654;

1 (4) Application of the unappropriated balance of the General Fund surplus shall
2 be applied;

3 (5) Any language provision that expresses legislative intent regarding a specific
4 appropriation shall not be reduced by a greater percentage than the reduction to the
5 General Fund appropriation for that budget unit;

6 (6) Reduce General Fund appropriations in Executive Branch Agencies' operating
7 budget units by a sufficient amount to balance either fiscal year. No reductions of General
8 Fund appropriations shall be made from the Local Government Economic Assistance
9 Fund or the Local Government Economic Development Fund;

10 (7) Notwithstanding subsection (10) of this Part, no reductions shall be made to
11 the Constitutional Officers or their offices, Commonwealth's Attorneys or their offices,
12 County Attorneys or their offices, Kentucky Educational Television, or the Department of
13 Public Advocacy. The Governor may request their participation in a budget reduction;
14 however, the level of participation shall be at the discretion of the Constitutional Officer,
15 Prosecutors Advisory Council, Executive Director of Kentucky Educational Television,
16 or Public Advocate;

17 (8) Excess General Fund appropriations which accrue as a result of personnel
18 vacancies and turnover, and reduced requirements for operating expenses, grants, and
19 capital outlay shall be determined and applied by the heads of the executive, judicial, and
20 legislative departments of state government for their respective branches. The branch
21 heads shall certify the available amounts which shall be applied to budget units within the
22 respective branches and shall promptly transmit the certification to the Secretary of the
23 Finance and Administration Cabinet and the Legislative Research Commission. The
24 Secretary of the Finance and Administration Cabinet shall execute the certified actions as
25 transmitted by the branch heads.

26 Branch heads shall take care, by their respective actions, to protect, preserve, and
27 advance the fundamental health, safety, legal and social welfare, and educational well-

1 being of the citizens of the Commonwealth;

2 (9) Funds available in the Budget Reserve Trust Fund shall be applied in an
3 amount not to exceed 25 percent of the Trust Fund balance in fiscal year 2010-2011 and
4 50 percent in fiscal year 2011-2012; and

5 (10) Pursuant to KRS 48.130 and 48.600, if the actions contained in subsections
6 (1) to (9) of this Part are insufficient to eliminate an actual or projected revenue shortfall
7 in the enacted General Fund revenue receipts, then the Governor is empowered and
8 directed to take necessary actions with respect to the Executive Branch budget units to
9 balance the budget by such actions conforming with the criteria expressed in this Part.

10 **PART VII**

11 **GENERAL FUND SURPLUS EXPENDITURE PLAN**

12 (1) Notwithstanding KRS 48.130(7), 48.140(3), and 48.700, there is established a
13 plan for the expenditure of General Fund surplus moneys pursuant to a General Fund
14 Surplus Expenditure Plan contained in this Part for fiscal years 2010-2011 and 2011-
15 2012. Pursuant to the enactment of the General Fund Surplus Expenditure Plan, General
16 Fund moneys in the General Fund undesignated fund balance in excess of the amount
17 specified in Part III, General Provisions, Section 24, of this Act are appropriated to the
18 following:

19 (a) Authorized expenditures without a sum specific appropriation amount, known
20 as Necessary Government Expenses, including but not limited to Emergency Orders
21 formally declared by the Governor in an Executive Order; and

22 (b) Increased support to the Budget Reserve Trust Fund.

23 (2) The Secretary of the Finance and Administration Cabinet shall determine,
24 within 30 days after the close of the fiscal year 2009-2010, and the close of fiscal year
25 2010-2011, based on the official financial records of the Commonwealth, the amount of
26 actual General Fund undesignated fund balance for the General Fund Surplus Account
27 that may be available for expenditure pursuant to the Plan in fiscal year 2010-2011 and

1 fiscal year 2011-2012, respectively. The Secretary of the Finance and Administration
2 Cabinet shall certify the amount of actual General Fund undesignated fund balance
3 available for expenditure to the Legislative Research Commission.

4 **PART VIII**

5 **ROAD FUND BUDGET REDUCTION PLAN**

6 There is established a Road Fund Budget Reduction Plan for fiscal year 2010-2011
7 and fiscal year 2011-2012. Pursuant to KRS 48.130, in the event of an actual or projected
8 shortfall in estimated Road Fund revenue receipts of \$1,265,800,000 in fiscal year 2010-
9 2011 and \$1,340,900,000 in fiscal year 2011-2012 as determined by KRS 48.120 and
10 modified by related Acts and actions of the General Assembly in an extraordinary or
11 regular session, the Governor shall implement sufficient reductions as may be required to
12 protect the highest possible level of service. The Road Fund Budget Reduction Plan shall
13 include at a minimum an equal percentage reduction of all Transportation Cabinet budget
14 units, excluding Revenue Sharing and Debt Service, before a reduction can be made to
15 the State Construction Account.

16 **PART IX**

17 **ROAD FUND SURPLUS EXPENDITURE PLAN**

18 Notwithstanding KRS 48.140 and 48.710, there is established a plan for the
19 expenditure of the Road Fund Surplus Account. All moneys in the Road Fund Surplus
20 Account shall be deposited in the State Construction Account and utilized to support
21 projects in the fiscal biennium 2010-2012 Biennial Highway Construction Program.

22 **PART X**

23 **PHASE I TOBACCO SETTLEMENT**

24 **(1) General Purpose:** This Part prescribes the policy implementing aspects of the
25 national settlement agreement between the tobacco industry and the collective states as
26 described in KRS 248.701 to 248.727. In furtherance of that agreement, the General
27 Assembly recognizes that the Commonwealth of Kentucky is a party to the Phase I

1 Master Settlement Agreement (MSA) between the Participating Tobacco Manufacturers
2 and 46 Settling States which provides reimbursement to states for smoking-related
3 expenditures made over time.

4 **(2) State's MSA Share:** The Commonwealth's share of the MSA is equal to
5 1.7611586 percent of the total settlement amount. Payments under the MSA are made to
6 the states annually in April of each year.

7 **(3) MSA Payment Amount Variables:** The total settlement amount to be
8 distributed each payment date is subject to change pursuant to several variables provided
9 in the MSA, including inflation adjustments, volume adjustments, previously settled
10 states adjustments, and the nonparticipating manufacturers adjustment.

11 **(4) Distinct Identity of MSA Payment Deposits:** The General Assembly has
12 determined that it shall be the policy of the Commonwealth that all Phase I Tobacco
13 Settlement payments shall be deposited to the credit of the General Fund and shall
14 maintain a distinct identity as Phase I Tobacco Settlement payments that shall not lapse to
15 the credit of the General Fund surplus but shall continue forward from each fiscal year to
16 the next fiscal year to the extent that any balance is unexpended.

17 **(5) MSA Payment Estimates and Adjustments:** Based on the current estimates
18 as reviewed by the Consensus Revenue Forecasting Group, the amount of MSA payments
19 expected to be received in fiscal year 2010-2011 is \$111,310,000 and in fiscal year 2011-
20 2012 is \$102,720,000. It is recognized that payments to be received by the
21 Commonwealth are estimated and are subject to change. Any appropriations made from
22 the estimated receipts are subject to adjustments based on actual receipts as received and
23 certified by the Secretary of the Finance and Administration Cabinet.

24 **a. State Enforcement:** Notwithstanding KRS 248.654, a total of \$275,000 of
25 the MSA payments received each fiscal year of the 2010-2012 fiscal biennium is
26 appropriated to the Finance and Administration Cabinet, Department of Revenue for the
27 state's enforcement of noncompliant nonparticipating manufacturers.

b. Agricultural Development Initiatives: Fifty percent of the MSA payments, less the above enforcement appropriations, received in fiscal year 2010-2011, estimated to be \$55,517,500, and in fiscal year 2011-2012, estimated to be \$51,222,500, is appropriated to the Kentucky Agricultural Development Fund to be used for agricultural development initiatives.

c. Early Childhood Development Initiatives: Twenty-five percent of the MSA payments, less the above enforcement appropriations, received in fiscal year 2010-2011, estimated to be \$27,758,800, and in fiscal year 2011-2012, estimated to be \$25,611,300, is appropriated for Early Childhood Development Initiatives as specified below.

d. Health Care Initiatives: Twenty-five percent of the MSA payments received, less the above enforcement appropriations, in fiscal year 2010-2011, estimated to be \$27,758,700, and in fiscal year 2011-2012, estimated to be \$25,611,200, is appropriated to the Kentucky Health Care Improvement Fund for health care initiatives as specified below.

(6) MSA Appropriation Adjustments - Prior Year Receipts Received: In the event that Phase I Master Settlement Agreement revenues due from a prior fiscal year are received in a subsequent fiscal year, those revenues are hereby appropriated as follows: 50 percent to the Agricultural Development Fund, 25 percent to the Early Childhood Development Fund, and 25 percent to the Health Care Improvement Fund.

a. Early Childhood Development: From the 25 percent of the Phase I Master Settlement Agreement payments appropriated to the Early Childhood Development Fund, the Early Childhood Development Authority shall recommend to the State Budget Director for approval the specific appropriations to be made to the existing initiatives.

b. Health Care Improvement: From the 25 percent of the Phase I Master Settlement Agreement payments appropriated to the Health Care Improvement Fund, appropriations shall be made pursuant to KRS 304.17B-003(5).

A. STATE ENFORCEMENT

GENERAL FUND - PHASE I TOBACCO SETTLEMENT FUNDS

1. FINANCE AND ADMINISTRATION CABINET

Budget Unit	2010-11	2011-12
a. Revenue	275,000	275,000

B. AGRICULTURAL DEVELOPMENT APPROPRIATIONS

GENERAL FUND - PHASE I TOBACCO SETTLEMENT FUNDS

1. GENERAL GOVERNMENT

Budget Unit	2010-11	2011-12
a. Governor's Office of Agricultural Policy	30,529,000	17,691,600

(1) Tobacco Settlement Funds - Allocations: Notwithstanding KRS 248.711(2), and from the allocation provided therein, counties that are allocated in excess of \$20,000 annually may provide up to four percent of the individual county allocation, not to exceed \$15,000 annually, to the county council in that county for administrative costs.

(2) Agriculture: Notwithstanding KRS 248.703(1), included in the above General Fund (Tobacco) appropriation is \$16,419,375 in fiscal year 2010-2011 and \$16,419,375 in fiscal year 2011-2012, for the counties account as specified in KRS 248.703(1)(a).

2. ENERGY AND ENVIRONMENT CABINET

Budget Unit	2010-11	2011-12
a. Natural Resources	9,000,000	6,000,000

(1) Environmental Stewardship Program: Included in the above General Fund (Tobacco) appropriation is \$9,000,000 in fiscal year 2010-2011 and \$6,000,000 in fiscal year 2011-2012 for the Environmental Stewardship Program.

3. FINANCE AND ADMINISTRATION CABINET

Budget Unit	2010-11	2011-12
a. Debt Service	18,746,600	30,275,700

(1) Debt Service: To the extent that revenues sufficient to support the required

debt service appropriations are received from the Tobacco Settlement Program, those revenues shall be made available from those accounts to the appropriate account of the General Fund. All necessary debt service amounts shall be appropriated from the General Fund and shall be fully paid regardless of whether there is a sufficient amount available to be transferred from tobacco-supported funding program accounts to other accounts of the General Fund.

(2) General Fund (Tobacco) Debt Service Lapse: Notwithstanding the provisions of Part X, (4) of this Act, \$3,008,100 in fiscal year 2010-2011 and \$2,994,800 in fiscal year 2011-2012 shall lapse and not continue forward to the next fiscal year.

4. POSTSECONDARY EDUCATION

Budget Unit	2010-11	2011-12
a. University of Kentucky	250,000	250,000
TOTAL - AGRICULTURAL APPROPRIATIONS	58,525,600	54,217,300

C. EARLY CHILDHOOD DEVELOPMENT

GENERAL FUND - PHASE I TOBACCO SETTLEMENT FUNDS

1. DEPARTMENT OF EDUCATION

Budget Unit	2010-11	2011-12
a. Learning and Results Services	2,150,000	2,050,000

2. CABINET FOR HEALTH AND FAMILY SERVICES

Budget Units	2010-11	2011-12
a. Community Based Services	9,395,400	9,175,000

(1) Early Childhood Development Program: Included in the above General Fund (Tobacco) appropriation is \$9,395,400 in fiscal year 2010-2011 and \$9,175,000 in fiscal year 2011-2012 for the Early Childhood Development Program.

b. Public Health	13,963,400	12,136,300
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(1) HANDS Program, Healthy Start, Universal Children's Immunizations, Folic Acid Program, Early Childhood Mental Health, Early Childhood Oral Health,

1 **Reach Out and Read, and Kentucky Early Intervention Services First Steps:**
 2 Included in the above General Fund (Tobacco) appropriation is \$8,752,000 in fiscal year
 3 2010-2011 and \$8,000,000 in fiscal year 2011-2012 for the Health Access Nurturing
 4 Development Services (HANDS) Program, \$1,000,000 in each fiscal year for Healthy
 5 Start initiatives, \$1,775,900 in fiscal year 2010-2011 and \$800,000 in fiscal year 2011-
 6 2012 for Universal Children's Immunizations, \$200,000 in each fiscal year for the Folic
 7 Acid Program, \$950,000 in each fiscal year for Early Childhood Mental Health, \$310,500
 8 in each fiscal year for Early Childhood Oral Health, \$225,000 in fiscal year 2010-2011
 9 and \$200,000 in fiscal year 2011-2012 for Reach Out and Read, and \$750,000 in fiscal
 10 year 2010-2011 and \$675,800 in fiscal year 2011-2012 for the Kentucky Early
 11 Intervention Services First Steps Program.

12 c. Behavioral Health, Developmental and Intellectual Disabilities
 13 Services 900,000 900,000

14 (1) **Substance Abuse Prevention and Treatment:** Included in the above General
 15 Fund (Tobacco) appropriation is \$900,000 in each fiscal year for substance abuse
 16 prevention and treatment.

17 d. Commission for Children with Special
 18 Health Care Needs 350,000 350,000

19 (1) **Universal Newborn Hearing Screening:** Included in the above General Fund
 20 (Tobacco) appropriation is \$350,000 in each fiscal year for the Universal Newborn
 21 Hearing Screening program.

22 **3. POSTSECONDARY EDUCATION**

23 Budget Unit	2010-11	2011-12
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24 a. Kentucky Higher Education Assistance		
25 Authority	1,000,000	1,000,000

26 (1) **Early Childhood Scholarships:** Included in the above General Fund
 27 (Tobacco) appropriation is \$1,000,000 in fiscal year 2010-2011 and \$1,000,000 in fiscal

1 year 2011-2012 for Early Childhood Scholarships.

2 TOTAL - EARLY CHILDHOOD APPROPRIATIONS 27,758,800 25,611,300

3 **D. HEALTH CARE IMPROVEMENT APPROPRIATIONS**

4 **GENERAL FUND - PHASE I TOBACCO SETTLEMENT FUNDS**

5 Notwithstanding KRS 304.17B-003(5), appropriations for health care improvement
6 shall be as follows:

7 **1. CABINET FOR HEALTH AND FAMILY SERVICES**

8	Budget Unit	2010-11	2011-12
9	a. Public Health	2,583,500	2,368,800

10 **(1) Smoking Cessation Program:** Included in the above General Fund (Tobacco)
11 appropriation is \$2,583,500 in fiscal year 2010-2011 and \$2,368,800 in fiscal year 2011-
12 2012 for the Smoking Cessation Program.

13 **2. JUSTICE AND PUBLIC SAFETY CABINET**

14	Budget Unit	2010-11	2011-12
15	a. Justice Administration	1,923,400	1,923,400

16 **(1) Office of Drug Control Policy:** Included in the above General Fund
17 (Tobacco) appropriation is \$1,923,400 in fiscal year 2010-2011 and \$1,923,400 in fiscal
18 year 2011-2012 for the Office of Drug Control Policy.

19 **3. PUBLIC PROTECTION CABINET**

20	Budget Unit	2010-11	2011-12
21	a. Insurance	18,084,700	16,581,400

22 **(1) Kentucky Access Program:** Included in the above General Fund (Tobacco)
23 appropriation is \$18,084,700 in fiscal year 2010-2011 and \$16,581,400 in fiscal year
24 2011-2012 for the Kentucky Access Program.

25 **4. POSTSECONDARY EDUCATION**

26	Budget Unit	2010-11	2011-12
27	a. Council on Postsecondary Education	5,167,100	4,737,600

1 **(1) Ovarian Cancer Screening:** Notwithstanding KRS 164.476, General Fund
2 (Tobacco) moneys in the amount of \$775,000 in fiscal year 2010-2011 and \$775,000 in
3 fiscal year 2011-2012 shall be allotted from the Lung Cancer Research Fund to the
4 Ovarian Cancer Screening Outreach Program at the University of Kentucky.

5	TOTAL - HEALTH CARE APPROPRIATIONS	27,758,700	25,611,200
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6 TOTAL - PHASE I TOBACCO SETTLEMENT

7	FUNDING PROGRAM	114,318,100	105,714,800
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8 PART XI

9 STATE/EXECUTIVE BRANCH BUDGET SUMMARY

10 **OPERATING BUDGET**

11		2009-10	2010-11	2011-12
12	General Fund (Tobacco)	-0-	114,318,100	105,714,800
13	General Fund	-0-	8,244,471,900	9,145,121,100
14	Restricted Funds	140,600	5,706,828,400	5,888,987,800
15	Federal Funds	-0-	10,471,359,800	9,851,334,900
16	Road Fund	-0-	83,674,500	87,126,500
17	SUBTOTAL	140,600	24,620,652,700	25,078,285,000

18 CAPITAL PROJECTS BUDGET

19		2009-10	2010-11	2011-12
20	Restricted Funds	5,496,700	2,369,975,000	51,935,000
21	Federal Funds	-0-	392,372,000	54,329,000
22	Bond Funds	22,900,000	407,888,800	71,607,000
23	Agency Bonds	30,000,000	485,304,000	-0-
24	Capital Construction Surplus	-0-	1,400,000	-0-
25	Investment Income	-0-	3,937,000	3,937,000
26	Other Funds	-0-	873,590,000	-0-
27	SUBTOTAL	58,396,700	4,534,466,800	181,808,000

TOTAL - STATE/EXECUTIVE BUDGET

	2009-10	2010-11	2011-12
General Fund (Tobacco)	-0-	114,318,100	105,714,800
General Fund	-0-	8,244,471,900	9,145,121,000
Restricted Funds	5,637,300	8,076,803,400	5,940,932,800
Federal Funds	-0-	10,863,731,800	9,905,663,900
Road Fund	-0-	83,674,500	87,126,500
Bond Funds	22,900,000	407,888,800	71,607,000
Agency Bonds	30,000,000	485,304,000	-0-
Capital Construction Surplus	-0-	1,400,000	-0-
Investment Income	-0-	3,937,000	3,937,000
Other Funds	-0-	873,590,000	-0-
TOTAL FUNDS	58,537,300	29,155,119,500	25,260,093,000

PART XII

**INSURANCE COVERAGE, AFFORDABILITY AND RELIEF TO SMALL
EMPLOYERS (ICARE) PROGRAM**

Section 1. As used in Sections 1 to 8 of this Part, unless the context requires otherwise:

(1) "Consumer-driven health plan" means a health benefit plan, including a high deductible health plan as defined in 26 U.S.C. sec. 223(c)(2)(A), or a health reimbursement arrangement that meets the requirements of Internal Revenue Code, Notice 2002-45, 2002-2 C.B. 93;

(2) "Eligible employer" or "employer" means an individual that employs two to 25 employees, a corporation, including a foreign corporation, other than a governmental entity, that employs one or more residents of the Commonwealth, or a corporation or an unincorporated entity that is exempt from taxation under the provisions of 26 U.S.C. sec. 501(c), as amended and in effect for the taxable year. An eligible employer must employ

1 no more than 25 employees and meet the eligibility requirements set forth in
2 administrative regulations promulgated by the department. The method of determining
3 the number of employees an employer has and the amount and types of subsidies shall be
4 determined by the department or a third-party administrator selected in accordance with
5 Section 5 of this Part;

6 (3) "Eligible employee" or "employee" means an employee of an eligible
7 employer whose business is located in the Commonwealth, who has not attained age 65
8 or is Medicare eligible, and who meets the financial and other eligibility standards set
9 forth in administrative regulations promulgated by the department;

10 (4) "Health risk assessment" means an assessment to prevent or minimize risk
11 factors for disease and maintain wellness;

12 (5) "High-cost condition" means a diagnosed specific list of conditions
13 representing the top 20 high-cost conditions in the small group market;

14 (6) "ICARE Program participating insurer" means any insurer who offers a health
15 benefit plan in the small group market;

16 (7) "Department" means the Department of Insurance; and

17 (8) "Qualified health benefit plan" means a health benefit plan as described in
18 Section 3(2) of this Part.

19 **Section 2.** (1) There is hereby created and established, under the supervision of
20 the Department of Insurance, the Insurance Coverage, Affordability and Relief to Small
21 Employers (ICARE) Program, which is designed to make health insurance more
22 affordable for small employer groups. The program is being piloted in the small group
23 market and shall be limited to those employer groups with two to 25 employees,
24 including small groups with two to 25 employees who are members of an employer-
25 organized association, and who were approved for participation in the program by the
26 Department of Insurance as of June 15, 2010.

27 (2) All insurers that issue health benefit plans to employers with two to 25

1 employees, including employers participating in an employer-organized association, as a
2 condition of doing business in Kentucky, shall be deemed an ICARE Program
3 participating insurer.

4 (3) The Department of Insurance may, subject to the provisions of this section,
5 establish an employer health care incentive program for certain employers for the purpose
6 of reducing the amount of contributions or payments made by those employers and
7 employees toward the cost of qualified medical insurance and which shall consist of the
8 following two programs:

9 (a) An employer health care incentive program for the purpose of reducing the
10 cost to employers and employees for providing qualified health benefit plan coverage
11 under Section 3(2)(a) or (b) of this Part for an eligible employer with low-income
12 employees if the eligible employer pays 50 percent or more of the premium cost of that
13 qualified health benefit plan coverage and meets the insurer's participation requirements
14 as allowed under KRS 304.17A-200(3). The department may limit premium payments or
15 enrollment under this program, to the extent funding is available. The ICARE Program
16 shall be available to employer groups that have not provided employer-sponsored health
17 benefit plan coverage to their employees within the previous 12 months; and

18 (b) An employer health care incentive program for the purpose of reducing the
19 cost to employers and employees for the purpose of obtaining or maintaining qualified
20 health benefit plan coverage under Section 3(2)(a), (b), or (c) of this Part for an eligible
21 employer and employees if the eligible employer pays 50 percent or more of the premium
22 cost of that health benefit plan coverage and meets the insurer's participation
23 requirements as allowed under KRS 304.17A-200(3). The department may limit premium
24 payments or enrollment under this program, to the extent funding is available. The
25 ICARE Program shall be available to employer groups that have at least one employee
26 with a high-cost condition. The department shall promulgate administrative regulations to
27 establish a list of high-cost conditions for the ICARE Program.

(4) In order for an eligible employer to qualify for the ICARE Program, the average annual salary of the employer group shall not exceed 300 percent of the federal poverty level. This shall not include the annual salary of any person with an ownership interest in the employer group.

(5) The department shall promulgate administrative regulations to establish guidelines for determination of preference for employer groups based upon federal poverty level, eligibility criteria, health care incentive payment procedures, program participating insurer and employer reporting requirements, and administrative guidelines for the ICARE Program.

Section 3. (1) Sections 1 to 8 of this Part shall not apply to an insurer that provides coverage solely to Medicaid recipients, Medicare beneficiaries, CHAMPUS insureds, or self-insured groups.

(2) Each ICARE Program participating insurer shall offer at least three qualified health benefit plans to employers. A qualified health benefit plan shall be:

(a) A consumer-driven health benefit plan, including a health reimbursement arrangement or health savings account;

(b) A basic health benefit plan, as described in KRS 304.17A-096 and 304.17A-097; or

(c) An enriched health benefit plan.

(3) Each ICARE Program participating insurer shall offer at least one of each of the plans listed in subsection (2)(a), (b), or (c) of this section. These plans shall be subject to the provisions of KRS 304.17A-220.

(4) An ICARE Program participating insurer shall conduct a health risk assessment for each employee enrolled in the ICARE Program and offer a wellness program, case management services, and disease management services.

(5) An insurer shall be required to offer a premium rate that includes a healthy lifestyle discount for employers participating in the ICARE Program.

1 (6) A separate class of business may be established for health benefit plan rate
2 filings offered under the ICARE Program in accordance with KRS 304.17A-0952(8)(b).

3 **Section 4.** (1) The amount of health care incentive paid shall be as follows:

4 (a) Forty dollars per employee per month for eligible employers as defined in
5 Section 2(3)(a) of this Part. The amount shall be reduced annually, at the time of renewal,
6 in incremental rates of ten dollars; and

7 (b) Sixty dollars per employee per month for eligible employers as defined in
8 Section 2(3)(b) of this Part. The amount shall be reduced annually, at the time of renewal,
9 in incremental rates of fifteen dollars.

10 (2) The department may, in lieu of cash payments, issue to individuals vouchers
11 or other documents certifying that the department will pay a specified amount for health
12 benefit plan coverage under specified circumstances.

13 (3) Any allocated surplus remaining in the ICARE Program shall be carried
14 forward to the next fiscal year and be used for the ICARE Program in subsequent years.

15 (4) The department may limit enrollment for the ICARE Program so not to
16 exceed annual program funding.

17 (5) A group shall be determined ineligible if the most recent coverage under any
18 health benefit plan terminated or nonrenewed because of any of the following:

19 (a) The group failed to pay premiums or contributions in accordance with the
20 terms of the plan or the insurer had not received timely premium payments;

21 (b) The group or any individual in the group performed an act or practice that
22 constitutes fraud or made an intentional misrepresentation of material fact under the terms
23 of the coverage; or

24 (c) The group or any individual engaged in intentional and abusive
25 noncompliance with health benefit plan provisions.

26 **Section 5.** (1) The department may select a third-party administrator to
27 administer the ICARE Program. The third-party administrator shall be an administrator

1 licensed under this chapter by the department. The department shall consider criteria in
 2 selecting a third-party administrator that shall include but not be limited to the following:

3 (a) A third-party administrator's proven ability to demonstrate performance of the
 4 following: eligibility determinations, enrollment, payment issuance, reconciliation
 5 processes, and data collection and reporting;

6 (b) The total cost to administer the ICARE Program;

7 (c) A third-party administrator's proven ability to demonstrate that the ICARE
 8 Program be administered in a cost-efficient manner; and

9 (d) A third-party administrator's financial condition and stability.

10 (2) In addition to any duties and obligations set forth in the contract with the
 11 third-party administrator, the third-party administrator shall:

12 (a) Develop and establish policies and procedures for eligibility determinations,
 13 enrollment, payment issuance, reconciliation processes, data collection and reporting, and
 14 other responsibilities determined by the department;

15 (b) Submit reports to the department regarding the operation and financial
 16 condition of the ICARE Program. The frequency, content, and form of the reports shall be
 17 determined by the department; and

18 (c) Submit a monthly and annual report to the department. Both reports shall
 19 include:

20 1. Number of applicants;

21 2. Enrolled employer groups by insurance company;

22 3. Number of groups previously uninsured for a period of 12 months by
 23 insurance company;

24 4. Average premium per group by insurance company;

25 5. Number of groups eligible due to an individual with a high-cost condition by
 26 insurance company;

27 6. Total amount of health care incentive paid listed by insurance company; and

1 7. Any other information requested by the department.

2 (3) The third-party administrator shall be paid for necessary and reasonable
3 expenses as provided in the contract between the department and the third-party
4 administrator.

5 **Section 6.** (1) The department shall establish and maintain the ICARE Program
6 fund. All funds shall be held at interest, in a single depository designated in accordance
7 with KRS 304.8-090(1) under a written trust agreement in accordance with KRS 304.8-
8 095. All expense and revenue transactions of the fund shall be posted to the Management
9 Administrative Reporting System (MARS) and its successors; and

10 (2) The department shall work with the Office of Health Policy within the Cabinet
11 for Health and Family Services to review the availability of federal funds for the ICARE
12 Program.

13 **Section 7** (1) The department may implement Sections 1 to 8 of this Part
14 through arrangements with other agencies of the Commonwealth.

15 (2) The provisions of this section shall not give rise to, nor be construed as giving
16 rise to, enforceable legal rights for any party or an enforceable entitlement to benefits
17 other than to the extent that such rights or entitlements exist pursuant to the
18 administrative regulations of the executive director of insurance.

19 **Section 8.** (1) Each insurer authorized to offer health benefit plans in the
20 Commonwealth shall disclose the availability of the health insurance purchasing program
21 as authorized in 42 U.S.C. sec. 1396e to eligible employer groups. In connection with the
22 initial offering and renewal of any health benefit plan, an insurer shall make a disclosure
23 as part of its solicitation, sales material, and renewal information of the availability of the
24 ICARE Program;

25 (2) The manner and content of the disclosure as described in subsection (1) of this
26 section shall be established through promulgation of administrative regulations by the
27 Department of Insurance in coordination with the Cabinet for Health and Family

1 Services.

2 **Section 9.** (1) All insurers as defined in KRS 304.17A-005(24) shall provide
3 upon request to the Cabinet for Health and Family Services, by electronic means and in
4 the format prescribed by the cabinet, information in accordance with KRS 205.623.

5 (2) All information obtained by the cabinet pursuant to this section shall be
6 confidential and shall not be open to public inspection.

7 **Section 10.** Pursuant to terms and conditions of Subtitle 17A of KRS Chapter
8 304, the Commonwealth of Kentucky seeks to explore the feasibility of an Interstate
9 Reciprocal Health Benefit Plan Compact (IRHBPC) with contiguous states to allow the
10 residents of the Commonwealth of Kentucky and the residents of contiguous states to
11 purchase health benefit plan coverage among the states participating with the compact.
12 The purposes of this compact are, through means of joint and cooperative action among
13 the compacting states:

14 (1) To promote and protect the interest of consumers purchasing health benefit
15 plan coverage;

16 (2) To develop uniform minimum standards for health benefit plan products
17 covered under the compact, while ensuring that the standards established in Kentucky law
18 and regulation are maintained and protected;

19 (3) To improve coordination of regulatory resources and expertise between state
20 insurance departments regarding the setting of uniform minimum standards; and

21 (4) To perform these and such other related functions as may be consistent with
22 the state regulation of the business of insurance.

23 **Section 11.** Any insurer violating Section 9 of this Part shall be fined not less
24 than one hundred dollars (\$100) for each offense. Failure to respond to each request made
25 by the Cabinet for Health and Family Services, as required under Section 9 of this Part,
26 shall constitute a separate offense.

27 **Section 12.** Notwithstanding KRS 304.17A.0952(8)(b), an insurer may

1 establish a separate class of business to reflect substantial differences in expected claims
2 experience or administrative cost because the insurer is offering a qualified health benefit
3 plan under the ICARE Program pursuant to Section 3(3) of this Part.

4 **Section 13.** Notwithstanding KRS 216.2921(1), the Cabinet for Health and
5 Family Services shall make every effort to make health data findings that can serve as a
6 basis to educate consumers on the cost and quality of health care and providers for the
7 purpose of improving patient morbidity and mortality outcomes available to the public,
8 and state and local leaders in health policy, through the cost-effective and timely use of
9 the media and the Internet and through distribution of the findings to health facilities and
10 health-care providers for further dissemination to their patients.

11 **Section 14.** Notwithstanding KRS 216.2923(2)(a), for the purposes of carrying
12 out the provisions of KRS 216.2920 to 216.2929, the Secretary of the Cabinet for Health
13 and Family Services shall publish and make publicly available, pursuant to Section 18 of
14 this Part, information on charges, quality, and outcomes of health care services provided,
15 and information that relates to the health care financing and delivery system and health
16 insurance premiums and benefits that is in the public interest.

17 Notwithstanding KRS 216.2923(2)(f), the cabinet advisory committee shall utilize
18 the Health Services Data Advisory Committee as a subcommittee, which shall include a
19 member of the Division of Women's Physical and Mental Health, to define quality
20 outcome measurements and to advise the cabinet on technical matters including review of
21 administrative regulations promulgated pursuant to KRS Chapter 13A, proper
22 interpretation of the data, and the most cost-effective manner in which it should be
23 published and disseminated to the public. The Health Services Data Advisory Committee
24 shall review and make recommendations to the secretary's advisory committee regarding
25 exploration of technical matters related to data from other health care providers. The
26 committee shall make recommendations on methods for risk adjusting any data prepared
27 and published by the cabinet.

1 **Section 15.** Notwithstanding KRS 216.2925(1), every hospital and ambulatory
2 facility shall be required to report, on a quarterly basis, information regarding the charge
3 for, quality, and outcomes of the procedures and health-care services performed therein,
4 and as stipulated by administrative regulations promulgated pursuant to KRS Chapter
5 13A. The cabinet shall accept data which, at the option of the provider is submitted
6 through a third party, including but not limited to organizations involved in the
7 processing of claims for payment, so long as the data elements conform to the
8 requirements established by the cabinet. On at least a biennial basis, the cabinet shall
9 conduct a statistical survey that addresses the status of women's health, specifically
10 including data on patient age, ethnicity, geographic region, and payor sources. The
11 cabinet shall rely on data from readily available reports and statistics whenever possible.

12 Notwithstanding KRS 216.2925(2), the cabinet shall require for quarterly
13 submission to the cabinet by any group of providers, except for physicians providing
14 services or dispensaries, first aid stations, or clinics located within business or industrial
15 establishments maintained solely for the use of their employees, including those
16 categories within the definition of provider contained in KRS 216.2920 and any further
17 categories determined by the cabinet, as provided by cabinet promulgation of
18 administrative regulations pursuant to KRS Chapter 13A, the following:

19 (a) A list of medical conditions, health services, and procedures for which data on
20 charge, quality, and outcomes shall be collected and published;

21 (b) A timetable for filing the information provided for under paragraph (a) above
22 on a quarterly basis;

23 (c) A list of data elements that are necessary to enable the cabinet to analyze and
24 disseminate risk-adjusted charge, quality, and outcome information, including mortality
25 and morbidity data;

26 (d) An acceptable format for data submission which shall include use of the
27 uniform:

1 1. Health claim form pursuant to KRS 304.14-135 or any other universal health
2 claim form to be determined by the cabinet, if in the form of hard copy; or

3 2. Electronic submission formats as required under the federal Health Insurance
4 Portability and Accountability Act of 1996, 42 U.S.C. Chapter 6A, sec. 300gg et seq., in
5 the form of magnetic computer tape, computer diskettes, or other electronic media
6 through an electronic network;

7 (e) Procedures to allow health-care providers at least thirty (30) days to review
8 information generated from any data required to be submitted by them, with any reports
9 generated by the cabinet to reflect valid corrections by the provider before the information
10 is released to the public; and

11 (f) Procedures pertaining to the confidentiality of data collected.

12 Notwithstanding KRS 216.2925(3), the data-gathering activities of the cabinet shall
13 be coordinated with and not duplicative of other data-collection activities conducted by
14 the Department of Insurance, as well as other state and national agencies and
15 organizations that collect the same or substantially similar health-related service,
16 utilization, quality, outcome, financial, or health-care personnel data, and shall review all
17 administrative regulations promulgated pursuant to KRS 216.2920 to 216.2929 to prevent
18 duplicate filing requirements. The cabinet shall periodically review the use of all data
19 collected under KRS 216.2920 to 216.2929 to assure its use is consistent with legislative
20 intent.

21 Notwithstanding KRS 216.2925(4), the cabinet shall conduct outcome analyses and
22 effectiveness studies and prepare other reports pertaining to issues involving health-care
23 charges and quality.

24 Notwithstanding KRS 216.2925(7), the Cabinet for Health and Family Services
25 shall collect all data elements under this section using only the uniform health insurance
26 claim form pursuant to KRS 304.14-135, the Professional 837 (ASC X12N 837) format
27 or its successor as adopted by the Centers for Medicare and Medicaid Services, or the

1 Institutional 837 (ASC X12N 837) format or its successor as adopted by the Centers for
2 Medicare and Medicaid Services.

3 **Section 16.** Notwithstanding KRS 216.2927(3), no less than 60 days after
4 reports are published and except as otherwise provided, the Cabinet for Health and
5 Family Services shall make all aggregate data which does not allow disclosure of the
6 identity of any individual patient, and which was obtained for the annual period covered
7 by the reports, available to the public. The Health Services Data Advisory Committee
8 shall review at least annually current protocols related to the release of data referenced in
9 this section and shall make recommendations to the cabinet advisory committee
10 referenced in KRS 216.2923. Persons or organizations requesting use of these data shall
11 agree to abide by a public use data agreement and by HIPAA privacy rules referenced in
12 45 C.F.R. 164. The public use data agreement shall include at a minimum:

- 13 (a) A prohibition against the sale or further release of data; and
14 (b) Guidelines for the use and analysis of the data released to the public related to
15 provider quality, outcomes, or charges.

16 Notwithstanding KRS 216.2925(3), the cabinet may impose a fee for providing
17 electronic or multiple printed copies of the data.

18 **Section 17.** Notwithstanding KRS 216.2929(1), the Cabinet for Health and
19 Family Services shall make available on its Web site information on charges for health
20 care services, which is updated at least annually, in understandable language with
21 sufficient explanation to allow consumers to draw meaningful comparisons between
22 every hospital and ambulatory facility in the Commonwealth, and other provider groups
23 as relevant data become available. Any charge information compiled and reported by the
24 cabinet shall include the median charge and other percentiles to describe the typical
25 charges for all of the patients treated by a provider and the total number of patients
26 represented by the charges, and shall be risk adjusted according to the recommendations
27 of the Health Data Advisory Committee. The report shall clearly identify the sources of

1 data used in the report and explain limitations of the data and why differences between
2 provider charges may be misleading. Every provider that is specifically identified in any
3 report shall be given 30 days to verify the accuracy of its data prior to public release and
4 shall be afforded the opportunity to submit comments on its data that shall be included on
5 the Web site and as part of any printed report of the data. The cabinet shall only provide
6 linkages to organizations that publicly report comparative charge data for Kentucky
7 providers using data for all patients treated regardless of payor source, which may be
8 adjusted for outliers, is risk adjusted, and permits identified providers the opportunity to
9 comment on their data and includes such comments on the Web site and as part of any
10 printed report of the data.

11 The Cabinet for Health and Family Services shall make information available on its
12 Web site, describing quality and outcome measures, in understandable language with
13 sufficient explanation to allow consumers to draw meaningful comparison between every
14 hospital and ambulatory facility in the Commonwealth, and other provider groups as
15 relevant data become available.

16 (a) The cabinet shall utilize only national quality indicators that have been
17 endorsed and adopted by the Agency for Healthcare Research and Quality, the National
18 Quality Forum, or the United States Centers for Medicare and Medicaid Services, or shall
19 provide linkages only to the following organizations that publicly report quality and
20 outcome measures on Kentucky providers:

- 21 1. The United States Centers for Medicare and Medicaid Services;
- 22 2. The Agency for Healthcare Research and Quality;
- 23 3. The Joint Commission on the Accreditation of Health Care Organizations; and
- 24 4. Other organizations that publicly report relevant outcome data for Kentucky
25 health care providers, as determined by the Health Services Data Advisory Committee.

26 (b) The cabinet shall utilize or refer the general public to only those nationally
27 endorsed quality indicators that:

1 1. Are based upon current scientific evidence or relevant national professional
2 consensus; and

3 2. Have definitions and calculation methods openly available to the general
4 public at no charge.

5 Any report the cabinet disseminates or refers the public to shall:

6 (a) Not include data for a provider whose caseload of patients is insufficient to
7 make the data a reliable indicator of the provider's performance;

8 (b) Afford providers specifically identified in the report 30 days to verify the
9 accuracy of their data prior to the data's public release and the opportunity to submit
10 comments on their data, which shall be included on the Web site and as part of any
11 printed report of the data;

12 (c) Clearly identify the sources of data used in the report and explain the
13 analytical methods used in preparing the data included in the report; and

14 (d) Explain any limitations of the data and how the data should be used by
15 consumers.

16 **Section 18.** Notwithstanding KRS 304.17A-700, as used in KRS 304.17A-700
17 to 304.17A-730 and KRS 205.593, 304.14-135, and 304.99-123, "health care provider" or
18 "provider" means a provider licensed in Kentucky as defined in KRS 304.17A-005 and,
19 for the purposes of KRS 304.17A-700 to 304.17A-730 and KRS 205.593, 304.14-135,
20 and 304.99-123 only, shall include physical therapists licensed under KRS Chapter 327,
21 psychologists licensed under KRS Chapter 319, social workers licensed under KRS
22 Chapter 335, and durable medical equipment dealers holding an active Medicare DME
23 provider number. Nothing contained in KRS 304.17A-700 to 304.17A-730 and KRS
24 205.593, 304.14-135, and 304.99-123 shall be construed to include physical therapists,
25 psychologists, social workers, and durable medical equipment dealers holding an active
26 Medicare DME provider number as a health care provider or provider under KRS
27 304.17A-005.

1 **Section 19.** Notwithstanding KRS 304.17A-704, within five business days
2 from the time of acknowledgment under KRS 304.17A-704(1)(a), an insurer, its agent, or
3 designee shall notify the provider, its billing agent, or designee that submitted the claim
4 electronically, of all information that is missing from the billing instrument, of any errors
5 in the billing instrument, or of any other circumstances which preclude it from being a
6 clean claim.

7 Notwithstanding KRS 304.17A-704(2), at the time of acknowledgment under
8 paragraph (b) of KRS 304.17A-704(1), an insurer, its agent, or designee, shall notify the
9 provider, its billing agent, or designee that submitted the claim, in writing, of all
10 information that is missing from the billing instrument, any errors in the billing
11 instrument, or of any other circumstances which preclude it from being a clean claim.

12 **Section 20.** Notwithstanding KRS 304.17A-730(1), an insurer that fails to pay,
13 deny, or settle a clean claim in accordance with KRS 304.17A-700 to 304.17A-730 and
14 KRS 205.593, 304.14-135, and 304.99-123 shall pay interest according to the following
15 schedule on the amount of the claim that remains unpaid:

16 (a) For claims that are paid between one and 30 days from the date that payment
17 was due under KRS 304.17A-702, interest at a rate of 12 percent per annum shall accrue
18 from the date payment was due under KRS 304.17A-702; and

19 (b) For claims that are paid more than 31 days from the date that payment was
20 due under KRS 304.17A-702, interest at a rate of 14 percent per annum shall accrue from
21 the date payment was due under KRS 304.17A-702.

22 **PART XIII**

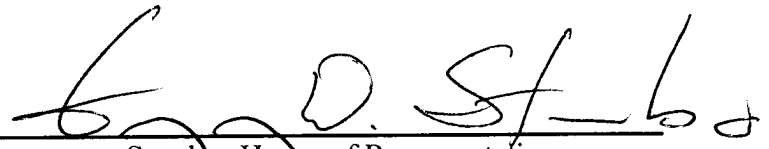
23 **CONTINGENCY PLAN FOR ADDITIONAL FEDERAL** 24 **ASSISTANCE FOR STATES**

25 The General Assembly recognizes that the American Recovery and Reinvestment
26 Act of 2009, H.R. 1, 111 Cong. (2009), or its successor, gives certain discretion to the
27 Governor. As the only body in the Commonwealth that has the constitutional power to

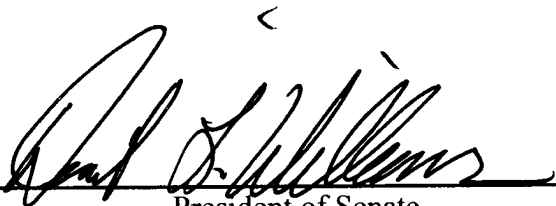
1 make appropriations, the General Assembly empowers and directs the Governor to spend
2 funds from the American Recovery and Reinvestment Act of 2009, or its successor. It is
3 recognized that if additional federal dollars are received they will not be recurring in
4 nature; therefore, the intent of the General Assembly is that funds received from the
5 American Recovery and Reinvestment Act of 2009, or its successor, are not used to
6 permanently expand existing programs, permanently create new programs, or in any way
7 increase the requirements to be placed on the General Fund, Restricted Funds, or Road
8 Fund above the adjusted appropriation level as of June 30, 2010. It is also the intent of the
9 General Assembly that the funds received from the American Recovery and Reinvestment
10 Act of 2009, or its successor, be used for the following purposes:

- 11 (1) Restore support to programs that have been reduced in fiscal years 2008-
12 2009 and 2009-2010;
- 13 (2) Support programs that shall be eliminated when American Recovery and
14 Reinvestment Act of 2009, or its successor, funds are no longer available;
- 15 (3) Provide funding for one-time expenditures in accordance with the
16 American Recovery and Reinvestment Act of 2009, or its successor;
- 17 (4) Agencies that receive funding for capital or infrastructure projects shall
18 proceed with projects that have been identified and recommended by the
19 Capital Planning Advisory Board;
- 20 (5) Local school districts that receive funding for capital or infrastructure
21 projects shall proceed where possible with projects identified and
22 prioritized in the District Facilities Plan as approved by the Kentucky
23 Board of Education;
- 24 (6) Transportation infrastructure funding shall be expended on specific road
25 projects as approved in the Biennial Highway Construction Plan. Any
26 funds allocated specifically for Metropolitan Planning Organizations
27 (MPO's) shall be expended on road projects included within the Statewide

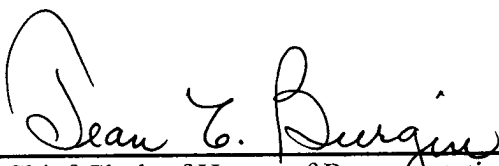
- 1 Transportation Improvement Program (STIP); and
- 2 (7) Any General Fund dollars that are not required for expenditure, due to the
- 3 receipt of American Recovery and Reinvestment Act of 2009, or its
- 4 successor, funds, shall be transferred to the Budget Reserve Trust Fund.



Speaker-House of Representatives



President of Senate

Attest: 

Chief Clerk of House of Representatives

Approved _____
Governor

Date _____